

# *Conflict of Interest Policy & Procedure*



ST ANDREWS  
CHRISTIAN COLLEGE

INSPIRED BY  
FAITH

DISTINGUISHED BY  
CHARACTER

LEADERS BY  
INFLUENCE



# Conflict of Interest Policy & Procedure

## PREAMBLE

All policy, protocols and procedures flow from the St Andrews Christian College Mission Statement:

*“To educate our students so that they are well skilled, understand life on the basis of biblical truth, and are motivated to walk with God and serve Him in their lives, so that they will be a positive Christian influence in the world.”*

## POLICY DOCUMENT INFORMATION

**TITLE:** Conflict of Interest Policy & Procedure

**AUTHORS:** James Bligh & RK Lawyers

**ACKNOWLEDGEMENTS:**

**PURPOSE:** To provide policy and direction for all the College Community.

**RELATED DOCUMENTS:**

## KEY DATES

**ISSUE DATE:** August, 2022

**REVIEWED AND APPROVED:** 6<sup>th</sup> October, 2022

**SCHEDULED REVIEW DATE:** August, 2023



## 1. PURPOSE

The purpose of this Policy and Procedure is to assist Office Holders of the College to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of the College, comply with Relevant Laws and manage risk. This Policy and Procedure applies in addition to any requirements to manage conflicts of interest under the Relevant Laws and clause 9.9 of the Constitution.

A conflict of interest may affect a person's judgment as to what is in the best interests of the College, or may lead to influence in their decision-making. It is not always possible to avoid a conflict of interest, so the critical aspect is therefore identifying and managing the potential risks associated with a conflict of interest.

This Policy and Procedure sets out when a conflict of interest exists, and the College policies and procedures that must be employed in order to deal with that conflict.

## 2. SCOPE

This Policy and Procedure applies to all Office Holders of the College.

## 3. CONFLICT OF INTEREST

### 3.1 *Conflict of Interest*

A conflict of interest arises when a person's personal interests conflict with their responsibility to act in the best interests of the College. Effectively managing conflicts of interest is critical for the College to ensure its Board can adequately meet the minimum standards for school governance under the Relevant Laws.

Office Holders have a conflict of interest in a matter being considered by the College if they, or their Associate, have a material personal interest in the subject under consideration.

A conflict of interest may be actual, potential or perceived as follows:

- 3.1.1 **(Actual)** An actual conflict of interest exists where there is a conflict between an Office Holder's duties and responsibilities to the College and their (or an Associate's) own personal interest;
- 3.1.2 **(Potential)** A potential conflict of interest means any circumstance where it is foreseeable that an actual conflict of interest may arise in the future and steps can be taken now to reduce any risk; and
- 3.1.3 **(Perceived)** A perceived conflict of interest means any conflict where a person might think that an Office Holder could be influenced by their (or an Associate's) material personal interest, regardless of whether an actual conflict of interest exists.



### 3.2 *Associates*

Office Holders have a conflict of interest in a matter if their Associate has a material personal interest in the matter under consideration.

A person is an Associate of an Office Holder if that person:

- 3.2.1 is a relative of the Office Holder;
- 3.2.2 is an employee or employer of the Office Holder;
- 3.2.3 is a beneficiary under a trust for which the Office Holder is trustee (or vice versa);
- 3.2.4 expects to receive compensation, payment or reward for providing their services to the Office Holder; or
- 3.2.5 is a body corporate, and:
  - a) the Office Holder is a member;
  - b) the Office Holder is a director or member of the board, exerts significant control or influence, controls the operations, resources or affairs or has the capacity to affect them significantly; or
  - c) the Office Holder has a significant interest in the body corporate, or would expect to receive any income, distribution, dividend or payment of any sort from that body corporate.

### 3.3 *Duty to Another Organisation*

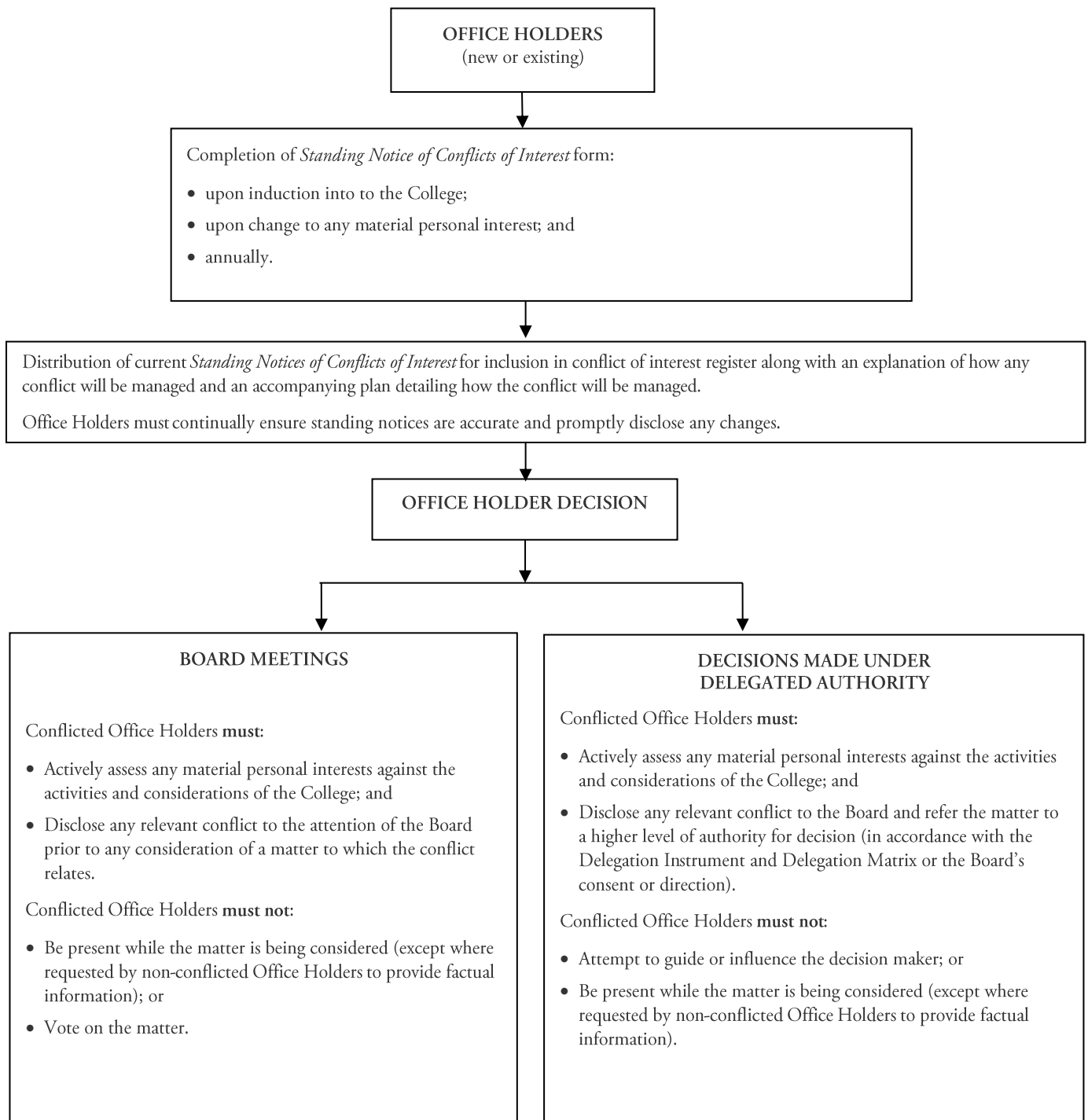
A conflict of interest can include a conflict between an Office Holder's duty to the College and another duty that the Office Holder has, for example to another school or organisation. This type of conflict of interest may be actual or perceived, and may be financial or non-financial.



## 4. CONFLICT OF INTEREST PROCEDURE FOR ALL OFFICE HOLDERS

### 4.1 Procedure Summary

The following diagram is a summary of the requirements for dealing with conflicts of interest. The detailed procedure for managing conflicts of interest is set out at clause 5.





## 5. DETAILED CONFLICT OF INTEREST PROCEDURE FOR THE BOARD

### 5.1 *Disclosure of Conflict of Interest*

Office Holders must disclose a conflict of interest by:

- 5.1.1 completing a Standing Notice of Conflicts of Interest form;
- 5.1.2 promptly notifying the Board and the Company Secretary of any changes to their conflicts of interest (if any); and
- 5.1.3 bringing to the Board and the Chair's attention that there was disclosure of a conflict of interest to the Board prior to consideration of any relevant matter.

All Office Holders have a duty to actively assess any material personal interests against the activities and considerations of the College to determine whether any conflict of interest has arisen, may arise or may be perceived.

All conflicts must be disclosed to the Board as soon as they become apparent. The disclosure must give details of the nature and extent of the material personal interest, and its impact on the College.

An officer or employee who believes an Office Holder has an undeclared conflict of interest should specify in writing the basis of this potential conflict to the Chair. If a person alleges that an Office Holder has a conflict of interest, whether existing or potential, and if this allegation cannot be resolved to the satisfaction of both parties the matter must be determined by the Chair.

Other matters must also be referred to the Chair if there is any doubt as to whether a material personal interest, including a perceived conflict of interest, constitutes a conflict of interest. In all circumstances, the Chair must declare whether a conflict does or does not exist, after reviewing the facts and make recommendations as to what action shall be taken.

Independent of anything else in this Policy and Procedure, all Office Holders with a material personal interest in a matter are obliged to draw any potentially adverse outcomes for the College to the attention of those considering the matter.

### 5.2 *Standing Notices*

Each Director, the Principal, the Deputy Principal – Teaching & Learning, the Deputy Principal – Operations, Business Manager, Head of Secondary and Head of Primary and Company Secretary must disclose their material personal interests prior to commencing at the College, by completing a Standing Notice of Conflicts of Interest form. Disclosure of material personal interests by way of standing notices is strongly recommended for other Office Holders (however their other conflict of interest obligations are mandatory).

A standing notice is valid only after its tabling at a Board meeting and its distribution to all Directors. It becomes invalid at the end of each year, or at any time a material personal interest significantly increases above that disclosed.

To remain valid, all Office Holders must review and update their standing notice at the commencement of each year and as necessary. This updated statement must similarly be distributed to all Directors.

### 5.3 *Register of Conflicts*

The Company Secretary must keep a register of all standing notices and conflicts of interest. The register must include the nature and extent of each conflict of interest and a plan of the steps taken to address it. The register of conflicts of interest must be maintained in accordance with the Relevant Laws for all Office Holders and include an explanation of and a plan for how each conflict recorded on the register will be managed.

### 5.4 *Board Meetings and Decision Making*

Board meetings must include “Disclosure of Conflicts of Interest” as a standing agenda item. The nature of a conflict of interest should be entered into the relevant meeting minutes at the beginning of the minutes. Any relevant disclosures must also be minuted. Where a conflict matter was brought to the Board’s attention or a person was excluded from deliberations, this must be minuted for the matter being deliberated.

If the Board contends that a conflict of interest exists or is likely to exist, it may provide reasonable direction to the conflicted Office Holder to resolve the conflict. The approval of any reasonable direction requires the consensus of the Board members present and voting at the meeting (excluding any conflicted Office Holder). This must be recorded in the register of conflicts of interest.

In all cases, matters involving a conflict of interest must be resolved at arm’s length.

### 5.5 *Voting*

The Board must ensure that Office Holders with a material personal interest in a matter being considered by the College:

- 5.5.1 do not take part in any discussion on that topic;
- 5.5.2 are absent while the matter is being considered at a Board meeting or general meeting; and
- 5.5.3 abstain from voting on the matter.

Where a conflict of interest is identified and/or raised in meeting, the Office Holder concerned must promptly leave the room. This must be minuted.

### 5.6 *Confidentiality*

If an Office Holder declares they have an existing, potential or perceived conflict of interest, their confidentiality must be respected.

Any conflict of interest must be dealt with, with the same degree of confidentiality as for Board papers, deliberations or resolutions.

Directors must adhere to the same principles in relation to their interaction with non-Directors, and must not speak for the Board on such matters except to repeat permitted Board decisions or to direct inquiries to the Chair.

## 6. EXAMPLES OF CONFLICTS OF INTEREST

6.1 A good way to think about whether a conflict of interest arises is to consider the following:

“Would a reasonable person (properly informed about the nature of the interest) believe that a person might be influenced by that interest when making decisions on behalf of the College?”

6.2 Office Holders should take into account the following to guide and assist them to determine if they have a conflict of interest:

6.2.1 **(College Purpose)** The College’s purposes, as set out in clause 1 of the Constitution, include:

- a) being a leading provider of Christian education and academic excellence consistent with the teachings of Christianity including religious instruction and education in the Holy Scriptures of the Old and New Testaments interpreted in accordance with the doctrinal basis of the Presbyterian Church of Victoria.
- b) encouraging educational excellence that enables each student to fulfil their potential academically, spiritually, emotionally, physically, socially and culturally;
- c) providing a safe, nurturing learning environment that encourages students to know, love and serve God and to know their purpose in the world; and
- d) learning the truth of the gospel and how to apply this into everyday life.

6.2.2 **(The Office Holder’s Duties)** The Office Holder will have duties set out in the Relevant Laws, including in *the Education and Training Reform Regulations 2017* (Vic), Ministerial Order No. 1359 – Implementing the Child Safe Standards – Managing the risk of abuse in schools and school boarding premises.

6.3 Examples of conflict of interest for an Office Holder could include (but are not limited to):

6.3.1 **(Generally)** When an Office Holder’s immediate family or business interests stands to gain financially from any business, programs or services of the College.

6.3.2 **(Student Matters)** When an Office Holder has an immediate family relationship with a student of the College and the Office Holder seeks to take part in decisions directly or indirectly affecting that student in particular.

6.3.3 **(Contracting)** When the Board approves a contract, such as a building or service contract, with organisations in which an Office Holder or their Associate offers a professional service to the organisation (whether paid or unpaid).





- 6.3.4 (**Indirect Contracting**) An Office Holder being involved in a decision of the College that would indirectly benefit the Office Holder, such as in the requirement of the College to source a particular good or service, when the sole supplier of that good or service is that Office Holder or their Associate.
- 6.3.5 (**Multiple Roles**) Where an Office Holder has a role (whether paid or unpaid) on the governing body of another organisation, and:
- a) the activities of that other body are in direct conflict or competition with the activities of the Company; or
  - b) the College is considering entering into an agreement or arrangement with that other body.
- 6.3.6 (**Dealings with Church**) Where the College proposes to enter into a transaction with Presbyterian Church of Victoria, and the Office Holder also holds positions within that Church.
- 6.3.7 (**Soliciting for Influence**) When an Office Holder receives benefits from third parties for themselves or their Associate, in exchange for using the Office Holder's position to advance and influence the third party's interests within the College, through influencing the Board or otherwise.
- 6.3.8 (**Property Transactions**) The College directly or indirectly leasing, renting, trading, or selling real or personal property to the Office Holder or their Associate.
- 6.3.9 (**Prioritising**) The personal interests of an Office Holder, or those of their Associate, is allowed to take precedence over those of the organisation generally.
- 6.3.10 (**Recruitment**) Where an Office Holder recruits a person that has a current or past professional or personal relationship with the Office Holder, or where they have some other vested interest in the recruitment of the person.
- 6.4 Situations which do not involve a conflict of interest include:
- 6.4.1 (**Common Interests**) The conflicted person has the material personal interest common with all or a substantial portion of the members of the College.
  - 6.4.2 (**Management Decisions**) It is not a conflict if management makes a decision for the College, having been delegated that authority by the Board. It would be a conflict if that Office Holder also occupied the management position (as relevant), or if the manager held the material personal interest.

## 7. RELEVANT LAWS

Irrespective of anything to the contrary in and otherwise in addition to the terms of this Policy and Procedure, Directors must, as directors of the College, comply with the Relevant Laws.



## 8. REVIEWING THIS DOCUMENT

This Policy and Procedure must be reviewed by personnel allocated that responsibility on an annual basis, or earlier if any of the following occurs:

- 8.1.1 a significant change occurs within the structure or operation of the College;
- 8.1.2 the roles and responsibilities of the Board change (for any reason); or
- 8.1.3 non-compliance has been detected.

## 9. RELATED DOCUMENTS

This Policy and Procedure should be considered in conjunction with the other governance systems and policies of the College, including:

- 9.1.1 the Constitution.
- 9.1.2 Standing Notice of Conflicts of Interest form;
- 9.1.3 Board Policy for Committees and
- 9.1.4 the Board Responsibilities Statement

## 10. TERMINOLOGY

In this Policy and Procedure:

- 10.1.1 **Associate** has the meaning given in clause 3.2 of this Policy.
- 10.1.2 **Board** means the board of Directors of the College.
- 10.1.3 **Chair** means the person appointed as the Chair of the Board of the College. Where the Chair has a conflict of interest in a particular matter, references to the Chair should be read as a reference to the chairperson of the relevant Board meeting dealing with that conflict (or outside of a Board meeting, the Deputy Chair or acting Chair determined by the non-conflicted Directors).
- 10.1.4 **College** means St Andrews Christian College ACN 006 044 122.
- 10.1.5 **conflicts of interest** include actual conflicts of interest, potential conflicts of interest and perceived conflicts of interest.
- 10.1.6 **Constitution** means the College's Constitution.



- 10.1.7 **Director** means those persons for the time being appointed as directors of the College in accordance with the Constitution.
- 10.1.8 **material personal interest** means an interest held by a person involving a relationship of some substance to a matter under consideration by the College which has the capacity to influence the vote of that person upon the decision to be made, either to acquire a benefit or avoid detriment.
- 10.1.9 **Office Holders** means a responsible person who has responsibilities in relation to the operation of the College in relation to the provision of College education, and includes Directors, the Principal, Deputy Principal – Operations , Deputy Principal – Teaching & Learning, Business Manager, Head of Secondary and Head of Primary, Company Secretary and any other person who makes or participates in making decisions for the College and who has the capacity to significantly affect those decisions (or who has the capacity to significantly affect the College’s financial standing).
- 10.1.10 **Relevant Laws** means all Laws, in effect from time to time, relevant to regulating the registration, reporting or governance obligations of the College, and includes without limitation at the date of adoption of this policy:
- a) *Australian Charities and Not-for-profits Commission Act 2012 (Cth);*
  - b) *Charities Act 2013 (Cth);*
  - c) *Corporations Act 2001 (Cth);*
  - d) *Income Tax Assessment Act 1997 (Cth);*
  - e) *Education Training and Reform Act 2006 (Vic) and any subordinate Law, including the Education and Training Reform Regulations 2017 (Vic); and*
  - f) *Ministerial Order No. 1359 – Implementing the Child Safe Standards – Managing the risk of abuse in schools and school boarding premises.*

## 11. REPLACEMENT OF EXISTING CONFLICTS OF INTEREST POLICY

Upon adoption of this Policy, the existing The Presbyterian College of St Andrew Limited Board Policy for Conflict of Interest is immediately repealed and replaced with this Policy.

## 12. APPROVAL AND ADOPTION OF THIS CONFLICT OF INTEREST POLICY AND PROCEDURE

Adopted by the Board on 17 August 2022.



## 13. REVISION HISTORY

| Version | Date           | Approved by |
|---------|----------------|-------------|
| 1       | 17 August 2022 | Board       |