

Conflict of Interest Policy HR09

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Version: 02

Drafted by: Executive Director

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Responsible person: ED, HRM

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Additional Authority: Law and related organisational policies

- Recruitment Policy
- Code of Conduct

Scope

This policy applies to all Directors, Board Members, Employees, Consultants, Volunteers and Interns.

Responsible Party

It is the responsibility of the Executive Director and the Human Resource Manager to ensure that employees are aware of and abide by this policy.

Purpose

The purpose of the conflict of interest policy is to maintain confidence in the integrity and accountability of This Life by making sure that the Directors, Board Members, Employees or others affiliated with This Life do not derive personal, professional or financial benefit from actions or decisions made in their official capacity, thus upholding the integrity of the organisation. While having a conflict of interest is not unusual and is not a wrongdoing in itself, failing to disclose or manage the conflict appropriately is likely to be considered wrongdoing. This Policy establishes expectations for balancing personal and business interests as well as guiding the administration of conflict or benefit of interest situations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to not for profit and charitable organisations.

Policy

Each Employee owes professional loyalty to the organisation and will be alert to the possibility that outside obligations, financial interests, employment, and certain relationships can affect or be seen to affect that commitment. Therefore, they are responsible for determining whether they have a Conflict of Interest or Benefit covered by this policy. Because no policy can anticipate the full range of outside relationships and activities that may give rise to conflicts or benefits of interest, Employees must disclose any outside relationship or activity that may give the appearance of a conflict as soon as feasible after discovery of the conflict.

The organisation must determine whether a conflict or benefit of interest is manageable and how it will be managed before an employee may undertake the activity giving rise to the conflict. The employee must comply with all measures put in place to manage, reduce, or eliminate conflicts of interest. This includes any requirement that the employee provide a follow-up disclosure at a reasonable time interval after his or her initial disclosure to

provide an update on the status of the conflict or benefit of interest, and the employee's compliance with the measures put in place to manage it.

All disclosures as well as decisions on how to manage the conflict should be documented and maintained by the Executive Director or Board to whom disclosure is made, as provided for in the procedures of this policy. This policy does not preclude the Board or Directors from requiring an employee to provide additional Conflict or benefit of interest information from time to time, or to do so on a more frequent basis (e.g., semi-annually).

If an employee has any questions about whether an outside activity must be disclosed, the employee should consult with the Human Resource Manager, their section lead or line manager. Supervisors who become aware that Employees under their supervision have conflicts or benefits of interest covered by this policy are obligated to ensure that the conflict is appropriately disclosed.

Personal Conflict of Interest can arise when

- A. An employee seeks to participate directly or indirectly in/or influence directly or indirectly any employment decision that involves a direct benefit or detriment to the Employee or to a close relation of the Employee. An employment decision includes decisions relating to initial appointment or hire, retention, termination, promotion, compensation, benefits and leave of absence. A "close relation" means spouse, domestic partners, parents, children, siblings and each of their respective spouses or domestic partners.
- B. An employee directly supervises a close relative's work or an employee begins dating a staff member who reports to them; and
- C. An employee knows or is related to a beneficiary.

Professional Conflict of Interest can arise when

- A. An employee's participation in an outside activity interferes with the employee's primary professional responsibility to This Life. Although participation in outside activities is encouraged, activities that interfere with the Employee's primary professional responsibility to This Life create a Conflict of Commitment or Loyalty.
- B. An employee sets up an organisation or takes a second job with an organisation that is similar to This Life.
- C. An employee becomes a board member of an organisation similar to This Life in nature or location; and
- D. An employee uses This Life resources, donated materials and information as their own.

Financial Conflict of Interest can arise when

An employee has a financial (ownership or investment) interest directly or indirectly, through business, investment, or family:

- A. In any entity with which This Life has a transaction or arrangement,
- B. A compensation arrangement with This Life or with any entity or individual with which This Life has a transaction or arrangement, or
- C. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which This Life is negotiating a transaction or arrangement.

Unacceptable Conflict

An unacceptable Conflict is a Conflict of Interest that is never acceptable and therefore should not occur. Such conflicts include soliciting or receiving anything of value (gifts or favors) in exchange for an advantage from the employee in favor of the outside entity or individual.

Conflict of Interest or Benefit of Interest

In practice what makes something a conflict of interest can also end up being a benefit from interest, or a good arrangement for This Life. These situations require careful and transparent management.

Employment Of Close Relatives

This Life will not employ close relatives of current employees. Close relatives are defined as parents, children, siblings or partner.

If a member of the selection committee knows an applicant this must be discussed as a possible conflict of interest.

Procedure

1. Conflict of Interest Declaration (Appendix 20): Employees will complete the Conflict or Benefit of Interest Declaration on an annual basis at the renewal of their contract. Given that conflicts of interest can arise at any time these forms can be updated at any appropriate time.
2. Where a conflict of interest exists a discussion will take place between three This Life employees (the employee, the section lead plus the Deputy Director and/or Director and/or a Board Member) to determine whether the declared conflict is remote or significant, manageable or unmanageable.
3. The discussion will then focus on the management of the conflict and an agreed management plan will be developed (Conflict of Interest Register and Management Plan Appendix 21). The management plan may focus on removal from decision making, not being involved in case management or discussion relating to known beneficiaries, or strategies to manage professional conflicts of interest or commitment. With respect to case management decisions the section lead must be involved in the discussions or be made aware of the situation as soon as practicable.
4. The management plan will have an agreed timeframe for review which may be at a specified time when the conflict ceases to exist or at 3, 6, 9 or 12 months. Review will involve the employee, and at least two others including either the Deputy Director or the Executive Director. If the conflict requires ongoing monitoring a comment about how the management plan is currently working and any changes to the plan will be documented and a further review date set. If the conflict has ceased to be a concern it can be closed. To close the Conflict of Interest the employee and the Deputy Director or Executive Director are to sign the review.
5. All Documentation relating to the conflict of interest will be kept securely in a conflict of interest file, the contents of which will remain confidential unless exceptional circumstance requires disclosure.