

Conflict of Interest Policy

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Document control

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Revision history

Version number	Status	Date	Author	Authorised by	Remarks
1.0	Revised	13 June 2007		Board	
2.0	Final	21 May 2020	Mary Latham	Board	Policy updated to support strong Board governance. The register of interests included in the policy is based on the ACNC template.
2.1	Revision	24 January 2024	Patrick Skinner	CEO	Updated next revision date to 31 March, 2024
2.2	Revision	29 November 2024	Adrian Graham	Board	Policy updated to include conflicts of interest concerning staff and reformatted in accordance with revised Policy Template.

Related policies and guidelines

- Non staff travel Policy
- Procurement Policy
- Staff Handbook
- Employee Code of Conduct

Introduction

ChildFund and its people have a responsibility to all stakeholders – community members, donors, Governments and to each other, to be responsible for the resources entrusted to it and to always act in the best interest of children and community members. A conflict of interest occurs where the interests or personal circumstances of an employee or Director could influence, or could be perceived as influencing, their responsibility to act in the best interests of ChildFund.

If not managed properly, Conflicts of interest can lead to several issues of both a financial and non-financial nature for ChildFund. Conflicts of interest, real or apparent, cannot always be avoided. Where this is the case, the Code of Conduct requires ChildFund People to disclose details of any material personal interests in connection with their employment.

Breaches of this Policy may result in disciplinary action, including possible termination of employment or relationships with ChildFund Australia.

Policy Statement

ChildFund is committed to maintaining the highest standards of integrity by managing conflicts of interest effectively. All ChildFund people must disclose any real, potential, or perceived conflicts of interest to ensure decisions are made in the best interests of the organisation and its stakeholders.

Scope

The Conflict-of-Interest Policy applies to ChildFund people, including; employees, volunteers, interns, Board members, ChildFund Ambassadors and Partner organisations and anyone representing ChildFund, which may also include suppliers and service providers.

It applies to all areas of work including on-site, off-site, or after-hours work; work-related social functions; conferences – wherever and whenever personnel may be, because of their ChildFund duties.

Exclusions

'NIL'

Objectives

To enable ChildFund to conduct its activity with high standards of personal and corporate integrity and uphold the confidence of our stakeholders and reputation of ChildFund.

To assist all employees and Directors to understand what is expected of them in relation to real, potential, or perceived conflicts of interest, and to abide by our Code of conduct which states:

'I will declare any financial, personal, family (or close intimate relationship) interest in matters of official business (e.g. contract for goods/services, employment, or promotion within ChildFund or partner organisations) that could be deemed a conflict of interest'

Definitions

ChildFund people - refers to all employees, interns, volunteers, board members, directors, contractors, consultants, beneficiaries of any program or support, partners, suppliers and service providers.

Conflict of Interest – occurs where the interests or personal circumstances of an employee, Director could influence, or could be perceived as influencing, their responsibility to act in the best interests of ChildFund Australia. 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 an employee, volunteer or shareholder). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

Related party Transactions - A 'related party transaction' is any transaction through which ChildFund provides a financial benefit to a related party (such as a director, their spouse and or other relatives). By definition, related party transactions involve conflicts of interest because related parties are often in a position to influence the decision of whether the benefit is provided to them, and the terms of its provision.

Policy Principles

- ChildFund aims to be a good corporate citizen and will comply with the laws in all jurisdictions where it conducts its activity or has any presence.
- At all times Directors and employees will put the needs of beneficiaries, stakeholders and the organisation first.
- All beneficiaries, employees, sponsors, donors, partners, and other stakeholders are entitled to be treated fairly.
- Vendors and suppliers will be selected on the basis of value for money principles.
- All employees and Directors will act in a manner consistent with the vision, mission and values of ChildFund and will comply with the ACFID Code of Conduct to which ChildFund is a signatory.

Policy in Action

General disclosures

Where actual, perceived, or potential conflicts of interest arise, employees and Directors are required to make a full and frank disclosure to:

- Supervisors or line managers (for employees)
- The Chairperson (for Directors and the CEO)
- The Deputy Chairperson (for the Chairperson).

If in doubt, employees or Directors should consult their supervisor or the Chairperson and provide a written disclosure of personal interest which could influence or could reasonably be seen to influence the decision you take or the advice you give. Decisions should be based on whether there is a real or sensible possibility of conflict, not just a remote or theoretical one.

ChildFund employees and Directors are required to take reasonable steps to avoid a conflict of interest. For example, duties can be re-assigned or the person can stand aside from relevant decisions. Strategies to manage the actual, perceived or potential conflict should be documented along with the disclosure.

Common activities with a risk of conflict of interest arising:

Activity	Example of Conflict of Interest
Procuring goods or services	Supplier is preferred and only selected due to personal and family relationships.
Tendering for and managing contracts	Awarding of contracts where the supplier is personally known to one of the selection committee members.
Engaging and promoting employees	Personal or family relationship of recruitment panel or decision maker to a prospective employee being interviewed and/or promoted.
Allocation of funding	Providing favour to allied religious, ethnic or family groups in partner selection process.
Voting as a member of a board or committee	A related party transaction that could benefit or could be perceived as benefiting the Director's interests or family.

Routine Disclosures

There is no standard list of items that must be disclosed. It is the responsibility of employees to consider and disclose those personal interests or relationships that influence, or could be seen to influence, their actions. There are however the following specific instances where conflict of interest may arise that require routine disclosures:

- *Board and staff involvement in other aid agencies*

Directors are permitted to be involved with other aid agencies provided these are not in direct competition with ChildFund regarding sponsor acquisition (for example - World Vision). Employees are expected to advise their supervisor where they have, or are considering, an involvement with another aid agency. The supervisor or manager will determine whether a real or perceived conflict of interest exists such as to limit, compromise, or impede the employee's ability to carry out their duties impartially.

- *Directors applying for executive roles*

Directors intending to apply for executive positions at ChildFund must notify the Board before applying and resign from their role as a Director. If the application is unsuccessful, the Board may reappoint the recently resigning Director after one year has passed. At times it may be prudent for a Director to step temporarily into the management position until a suitable full-time replacement is found. In this case the Director involved is not required to resign from the Board.

- *Operational issues*

Directors are generally not to be engaged in operational matters unless sanctioned by the Board or invited to help by the CEO or other senior staff.

- *Travel expenses & cash allowances*

All non-staff business related travel must be authorised and approved in accordance with the ChildFund Australia Delegations of Authority Policy matrix. Refer to the Non-Staff Travel Policy for further instructions.

- *Directors' commitments of ChildFund resources*

Individual Directors are not authorised to commit the resources of ChildFund without Board or CEO approval.

- *Gifts, entertainment, and non-financial incentives*
 - Gifts, entertainment, and non-financial incentives should not be given or received if they create a feeling of obligation.
 - Giving or accepting reasonable entertainment such as meals, theatre parties or events by Directors and executive staff is acceptable if it advances the work of ChildFund and is without conflict of interest.
 - Employees are not to give gifts, payments, discounts, or services unless they are of nominal value and appropriate to the circumstances.
 - Any gift or entertainment given or received by an employee or Director in their capacity as a ChildFund representative, must be reported to the supervisor or manager (in the case of an employee) or the Chairperson (in the case of a Director or CEO).

Procedure for handling conflicts of interest

Employees who believe their interests could influence, or could reasonably be seen to influence, their work decisions should provide a written description of the nature and extent of their personal interest to their direct supervisor/manager.

The supervisor or manager will determine whether the matter constitutes a conflict of interest and the action to be taken. In deciding, the manager or supervisor may choose to discuss the matter with senior managers or Directors and may request that the matter go to the full Board for a decision.

All Directors and Executive Team members are to complete an initial register of interests in Bamboo. The register in Bamboo will need to be updated whenever there is a change in personal circumstances and/or a change in work responsibilities that could involve a new, real or apparent conflict of interest.

These individual registers will be collated by the Executive Assistant & Office Manager into a total register as set out in Annex 1. The Bamboo conflict of interest register will be provided to the board for their review on an annual basis. Every Board and Sub-Committee meeting will include a standing agenda item for “conflict of interest disclosure”. A Director or Executive Team member is to declare any new or changed interests at the first meeting they attend after the change. This applies to the meeting of the Board and/or any Committees that they attend.

When a Director discloses a conflict of interest, the matter will be considered at the next Board meeting. The Director concerned will not be present while the matter is being considered, nor vote on the matter, unless Directors who do not have an interest in the matter agree that the interest should not disqualify such Director from being present. The minutes of the meeting will record the decision taken by the Directors who do not have an interest in the matter, and the Director will be requested to update in Bamboo.

Policy Breaches

An employee or Director who breaches the Conflict of Interest Policy faces disciplinary action, which may lead to dismissal, and/or legal action and/or information being passed to relevant authorities.

Any employee or Director who suspects a breach, must, in the first instance, report the matter to their supervisor (in the case of an employee), to the Chairperson (in the case of a Director) or to the Deputy Chairperson (in the case of the Chairperson). ChildFund people have an obligation to report alleged instances of reportable conduct or breaches of the Code of Conduct and associated policies to their line manager, or through other reporting mechanisms outlined in the Complaints Policy and Procedure or Whistleblowing Policy and Procedure.

No action will be taken against any employee or Director reporting, in good faith, a breach of this Policy.

Annex 1 Register of Interests

Name of Employee/ Board member / ET member/Country Directors	Description of interest and whether it is one- off or ongoing	Has the board been notified of the interest?	Date of disclosure	Steps taken by the board for dealing with the conflict?	Actions taken by the Employee/ Board member or ET member to address the conflict