

LEVNT CONFLICTS OF INTEREST POLICY

1. THEOLOGICAL BACKGROUND:

As each person lives out his/her life in this world, God entrusts them with a variety of vocations simultaneously. At times, it is possible that there will be an actual, perceived, or potential conflict of interest between these vocations as people serve in the world and in the church. Jesus teaches that “No one can serve two masters, for a slave will either hate the one and love the other, or be devoted to the one and despise the other...” (Matthew 6:24). Christians, therefore, are to remain alert to conflict of interest situations as they serve in the church, to “...take thought for what is noble in the sight of all” (Romans 12:17), and to declare any actual, perceived or potential conflict of interest when it arises.

2. DEFINITIONS

- 2.1. “District” means the Lutheran Church of Australia Victorian District (including Tasmania)
- 2.2. “Region” means the joint area defined in the Memorandum of Understanding between the Lutheran Church of Australia Victorian District (including Tasmania) (District) and the Lutheran Church of Australia New South Wales District (LCANSWD)
- 2.3. “CLEVNT” means the governing council for Lutheran Education in the Region
- 2.4. “LEVNT” means the staff and general operations of the Regional Office of Lutheran Education which are responsible to the District via CLEVNT
- 2.5. “School” means Lutheran schools, colleges, kindergartens and early learning centres
- 2.6. “conflict of interest” includes conflict of duty. This includes matters such as financial, professional/pastoral performance, etc
- 2.7. “Committee” includes committees, councils, standing committees, boards, auxiliaries, task forces and any other bodies created by the CLEVNT or School Council/Board
- 2.8. “employee” includes contractor

3. OBJECTIVES

The underlying principle for the introduction of the policy is that a member of a committee or a person holding an office should be able to act as in their office or as a member of that committee free of any influence which is specific to that member. In other words a conflict of interest, including a conflict of duty, occurs where a person has an interest in a matter under discussion which is different to an independent member of that committee. The intent is to ensure that any such influence is removed or at least advised and minimized.

The objectives of this policy are to ensure that all CLEVNT and School Council/Board and subcommittee members, employees and volunteers of Schools within the LEVNT Region, and employees of LEVNT:

- Set a good example of Christian living by exhibiting high standards of honesty and integrity
- Do not damage the ministry, mission or reputation of the church
- Are aware of their responsibilities to consider carefully if there is a conflict of interest, actual, perceived or potential, when engaged in decision making
- Do not make a decision for personal gain
- Follow Church protocols for effectively managing conflicts of interest

4. POLICY STATEMENT

In bringing God's love to life, the Church encourages strict standards of honesty and integrity. The Church takes all reasonable measures to:

- Create an environment where declared interest operates in a forthright and honest manner
- Provide guidance for effectively managing conflicts of interest

5. DEFINITION OF CONFLICTS OF INTEREST

Conflict of Interest is a term used to describe the situation in which a person, who holds a legal or ethical relationship of trust with one or more other parties, exploits the relationship for personal benefit, typically financial. This behaviour is contrary to the obligation and absolute duty the person owes to act for the benefit of the public or a designated individual/organisation.

Conflicts of interest can be actual, perceived or potential.

- Actual: involves a direct conflict between current duties and responsibilities and existing private interests
 - a purchasing officer selling his/her own goods to his/her employer
 - committee members being an employee of the committee or organisation
- Perceived: conflict exists where it appears that private interests could improperly influence the performance of duties – whether or not this is the case
 - committee members being closely related to or associated with an employee of the committee or organisation
- Potential: arises where private interests could conflict with official duties

6. PREVENTION OF CONFLICTS OF INTEREST

To ensure that conflict of interest does not damage the ministry and mission of the Church nor cause harm to the Church's reputation the following principles should be followed:

- A person must avoid any conflict between that person's interests and that person's duties to others or between two or more duties owed by the person
- A person must not take advantage of their position to gain direct or indirect benefit
- A person must make full and proper disclosure of any conflict, actual, perceived or potential, to the Board, Council or Committee or other appropriate person or entity
 - For occasional minor matters, declaration of the conflict of interest and withdrawal by the committee member from the room whenever the topic is discussed or voted on will be sufficient. For major matters, leave of absence from the committee is the only ethical course open.
- The Board, Council or Committee or other appropriate person or entity will decide, without the person in question being part of the discussion, whether the person should in all the circumstances:
 - Not be eligible for election or appointment to the position or role
 - Not be eligible for employment
 - Refrain from taking part in decision making on a topic
 - Refrain from participating in consideration or debate about a matter
 - Take leave of absence from their position or role
 - Consider resigning from their position or role

- The Executive Director/Principal should be the chief adviser to the Council/Board but should not be a voting member, but be a “consultant” who has the right and responsibility to be fully involved in discussion but not vote. He or she should not involve himself or herself in discussion where matters such as professional performance, remuneration, etc are being discussed.
- Generally, the partner/child of an employee should not act as a member of the Council, however there may be circumstances where this is not feasible. Where these circumstances occur the existing term of office may be allowed to continue but the conflicted person should not seek re-election/appointment.

Where a person disputes the decision of the Committee the matter will be resolved in accordance with the conflict and dispute resolution procedures of the Church.

7. PROHIBITED ACTIVITIES

The following situations are prohibited as unacceptable conflicts of interest in all circumstances:

- A person must not be a member of a Committee to which they, their partner or their close personal relations are accountable directly as an employee
- A person must not be a member of a Committee to which they, their partner or their close personal relations are indirectly accountable as an employee unless the committee expressly determines otherwise. Such determination shall not take effect until ratified by the CLEVNT
- A person must not become an employee or member of a Committee where employment or membership will involve a conflict of interest of an ongoing nature
- A member of a committee who has a conflict of interest in relation to any matter before the committee shall declare such conflict to the committee and absent him/herself from the discussion and decision-making process of the committee in relation to future involvement in the matter.
- Any member of a committee who considers another member of a committee may have a conflict of interest in relation to any matter before the committee, may raise the issue at that time. The issue shall, if necessary be debated and determined by the committee while the potentially conflicted person is excused
- The agenda for all meetings shall provide for the declaration of any conflict of interest at the commencement of the meeting. The minutes of meetings shall record any declaration or determination of conflict of interest and a member’s level of participation during the relevant decision-making process.

8. EXEMPTIONS

Under the policy the CLEVNT may, on request, provide an exemption to the policy and its procedures and may impose conditions.