

Policy Document

LEVNT CONFLICT OF INTEREST POLICY

1. THEOLOGICAL BACKGROUND

As God's servants in the world, we are called to live with an honest heart and to act towards others in an honourable manner (Heb 13:18, Luke 8:15).

2. PURPOSE

The purpose is to:

- 2.1. Encourage high standards of honesty, transparency and integrity within the LEVNT Region in line with Church policy.
- 2.2. Provide guidance on how to identify, disclose and manage any actual, potential or perceived conflict of interest in a transparent manner.
- 2.3. Ensure people in decision-making positions always act in the best interests of the Organisation.

3. RELEVANT TO:

The policy and related procedures apply to:

- 3.1. All CLEVNT and CLEVNT subcommittee members
- 3.2. All School Council/Board and subcommittee members
- 3.3. employees of the LEVNT regional office
- 3.4. employees and volunteers of Schools within the LEVNT Region.

4. OBJECTIVES

The objectives of the policy and related procedures are to ensure that all who hold positions of trust:

- 4.1. Set a good example of Christian living by exhibiting high standards of honesty, transparency and integrity
- 4.2. Do not damage the ministry, mission or reputation of LEVNT, or of the Church
- 4.3. Are aware of their responsibilities to consider carefully if there is a perceived or potential conflict of interest, when engaged in decision-making
- 4.4. Do not make a decision for personal gain, or for the purpose of furthering another financial or non-financial interest
- 4.5. Follow LEVNT protocols for effectively disclosing and managing a conflict of interest

5. POLICY STATEMENT

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

- 5.1. Avoid conflict of interest where practical and possible
- 5.2. Provide guidance for effectively identifying, disclosing and managing any conflict of interest
- 5.3. Create an environment where interests are declared in a transparent and ethical manner

6. GENERAL DEFINITIONS

- 6.1. "Church" means the Lutheran Church of Australia Incorporated
- 6.2. "CLEVNT" means the governing council for Lutheran Education in the Region
- 6.3. "Committee" includes committees, councils, standing committees, boards, auxiliaries, task forces and any other bodies created by the CLEVNT or School Council/Board
- 6.4. "conflict of interest" includes conflict of duty. This includes matters such as financial, professional/pastoral performance etc.
- 6.5. "District" means the Lutheran Church of Australia Victorian District (including Tasmania)
- 6.6. "employee" includes contractor
- 6.7. "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)
- 6.8. "LEVNT" means the staff and general operations of the Regional Office of Lutheran Education which are responsible to the District via CLEVNT
- 6.9. "School" means Lutheran schools, colleges, kindergartens and early learning centres
- 6.10. "Organisation" means the specific organisation which the Committee represents

7. DEFINITION OF CONFLICT OF INTEREST

A conflict of interest is a situation where a person has competing interests, loyalties or biases.

A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of an Organisation. A conflict of interest also includes a conflict between a person's duty to an Organisation and another duty that the person has (for example, to another organisation).

Personal interests include direct interests, as well as those of family, friends, or other parties (associate, organisation) a person may be involved with or have an interest in (for example, as a shareholder).

A conflict of interest may be financial or non-financial.

A conflict of interest may be actual, potential or perceived.

- Actual - involves a direct conflict between current duties and other interests, whether business or personal interests
- Perceived - involves a situation where a conflict of interest could reasonably be perceived to improperly influence the performance of duties (whether or not this is the case)
- Potential - involves a situation where another interest could conflict with official duties

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of the Organisation. These situations must therefore be managed accordingly.

A key test for identifying a conflict of interest is whether an impartial observer would reasonably question if factors, which are associated with another interest, may inappropriately influence the way a person carries out his or her role.

A conflict of interest may involve, but is not limited to, any of the following situations which will need to be managed, consistent with procedures associated with this policy:

- A person in a paid position engages a family member, or another party with whom the person is involved, to provide a service or offers them employment
- A person in a position of authority (Person) is involved in a decision that will award a contract for services or employment to a person, family member or any party with whom the Person is involved
- A Person is involved in a decision about a property transaction that will return a material benefit to the Person or a party associated with the Person
- A Person, in his or her decision-making capacity, becomes aware of information that may be used for his or her personal gain or for the gain of a party connected with the Person
- A Person is involved in a decision about a matter that may impact positively or negatively on an existing relationship between the Person and another party

There will be some situations where the conflict of interest will normally not be acceptable, for example:

- A paid employee is a member of a decision-making body to which they or their spouse are directly accountable.
- A person is a member of a Committee where the work of the Committee and the person's outside interests, and those of parties close to the person, will involve an inherent and ongoing conflict of interest.

However, it is recognised there may be circumstances arising from the nature of the local situation which may require an exception to be made. If so, there must be independent approval from a higher authority or governing body for the appointment, supported by a documented process to appropriately manage the conflict of interest.

8. PROCEDURAL PRINCIPLES

The application of this Policy will provide for:

- 8.1. The avoidance or management of any conflict between private interests and duties to others, or between duties required from two or more roles
- 8.2. Persons in decision-making positions within LEVNT organisations not taking advantage of their positions, to improperly gain direct or indirect benefit (whether financial or non-financial) for themselves or for other parties
- 8.3. Full and proper disclosure of any actual, perceived or potential conflict to the appropriate Board, Council, Committee, entity or leader
- 8.4. Sound decision-making and recordkeeping by Boards, Councils, Committees, entities and leaders regarding any actual, perceived or potential conflict

9. MANAGEMENT OF CONFLICT OF INTEREST

The entity or other appropriate person will decide, without the person in question being part of the discussion, whether the person should:

- 9.1. Not be eligible for election or appointment to the position or role
- 9.2. Not be eligible for employment
- 9.3. Refrain from taking part in decision making on a topic
- 9.4. Refrain from participating in consideration or debate about a matter
- 9.5. Take leave of absence from their position or role
- 9.6. Consider resigning from their position or role

10. EXEMPTIONS

Every endeavour will be made to ensure that a governing body does not include close relatives of employees, including their spouses. However, there may be circumstances where this is not feasible.

Under the policy the CLEVNT may, on request, provide independent approval for an appointment with conflict of interest along with a documented process to manage the conflict of interest. The CLEVNT may impose conditions within the documented conflict of interest management process provided. The CLEVNT will monitor any conditions imposed on a situation.

11. DISPUTES

Where a person disputes a decision under this policy the matter will be resolved in accordance with the conflict and dispute resolution procedures of LEVNT.