

BOARD CONFLICT OF INTEREST POLICY

Policy	Conflict of Interest
Version	4.0
Date of Approval	October 2022
Effective date	October 2022
Date for Review	October 2025
Policy Officer	KEM EO

Rationale	<p>Conflicts of interest are a common occurrence on Boards, but need not present a problem to Kildare Education Ministries (KEM) if they are openly and effectively managed.</p> <p>The purpose of this policy is to help KEM Board Directors and KEM Board Committee members to identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of KEM and to manage risk.</p>
Principles and Values	<p>This policy is informed and guided by the vision, mission and core values of Kildare Ministries (KM), as enacted through Kildare Education Ministries (KEM) and the schools under its stewardship. It details the ethical behaviour and governance standards required of KEM and its Board Directors in relation to potential and actual conflicts of interest.</p>
Audience	<p>The policy applies to the KEM Board and Secretariat and KEM Committee members.</p>
Definitions	<p>A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of KEM. 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. It also includes a conflict between a Board Director's duty to KEM and another duty that the Board Director has (for example, to another organisation, school or charity). A conflict of interest may be actual, potential or perceived, and may be financial or non-financial.</p> <p>Conflict of interest situations are those which entail a risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of KEM. They must be managed accordingly.</p>
Procedure:	<p>It is the policy of KEM, as well as a responsibility of the Board, that ethical, legal, financial or other conflicts of interest be avoided, and that any such conflicts (where they do arise) do not conflict with the obligations to KEM.</p> <p>KEM will manage conflicts of interest by requiring Board Directors to:</p> <ul style="list-style-type: none"> • avoid conflicts of interest where possible • identify and disclose any conflicts of interest • carefully manage any conflicts of interest, and • follow this policy and respond to any breaches.

Responsibility of the KEM Board

The Board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the organisation
- monitoring compliance with this policy, and
- reviewing this policy on an annual basis, to ensure that the policy is operating effectively.

The KEM Board must ensure that its Directors are aware of the ACNC governance standards, particularly [governance standard 5](#), and that they disclose any actual or perceived material conflicts of interests as required by [governance standard 5](#).

Identification and disclosure of conflicts of interest

- Once an actual, potential or perceived conflict of interest is identified, it must be entered into KEM's register of interests, as well as being raised with the Board. Where all of the other Board Directors share a conflict, the Board should refer to [governance standard 5](#) to ensure that proper disclosure occurs. The register of interests must be maintained by the KEM Secretariat, and it must record information related to any conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).
- The register should be included in the reports presented for KEM's annual auditing processes.

Confidentiality of disclosures

Disclosures will remain confidential to the KEM Board Directors, the KEM Executive Officer and Secretariat.

Where it is deemed appropriate Disclosures can be notified to the Kildare Ministries Trustees via the KEM Executive Officer.

Action Required for Management of Conflicts of Interest

a. Conflicts of interest of Board Directors

Once the conflict of interest has been appropriately disclosed, the Board (excluding the Board Director disclosing and any other conflicted Director) must decide whether or not those conflicted Board Directors should:

- vote on the matter (this is a minimum),
- participate in any debate, or
- be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Director from regularly participating in discussions, it may be worth the Board considering whether it is appropriate for the person conflicted to resign from the Board.

	<p>b. What should be considered when deciding what action to take</p> <p>In deciding what approach to take, the Board will consider:</p> <ul style="list-style-type: none"> • whether the conflict needs to be avoided or simply documented • whether the conflict will realistically impair the disclosing person’s capacity to participate impartially in decision-making • alternative options to avoid the conflict • KEM’s objects and resources, and • the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, KEM. <p>The approval of any action requires the agreement of at least a majority of the Board (excluding any conflicted Board Director/s) who are present and voting at the meeting. The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.</p>
Responsibilities and Communication Obligations	<p>The KEM Chair and Executive Officer have an obligation to convey the content of this policy to new Board Directors as part of KEM’s Board induction process.</p> <p>Every KEM Board meeting Agenda must have a standing item requiring declaration of any conflict of interest.</p> <p>For questions about this policy, contact the Board via the KEM Board Chair or the KEM Executive Officer.</p>
Breaches of this policy	<p>If the Board has a reason to believe that a Board Director has failed to comply with the Conflict of Interest Policy, it must investigate the circumstances.</p> <p>If it is found that this person has failed to disclose a conflict of interest, the Board may take action against them. This may include issuing a letter of warning or seeking to terminate their relationship with KEM, depending on the seriousness of the breach.</p>
Appendix	Nil
Related Policies and Procedures	<ul style="list-style-type: none"> • KEM Professional Standards Policy • KEM Fraud Policy
Resources	<p>National</p> <ul style="list-style-type: none"> • The Living Justice Living Peace Charter • Kildare Ministries’ Values, Vision and Mission Statement • Kildare Education Ministries’ Mission Statement • Governance Standard 5 – ACNC • Managing Conflicts of Interests Guide - ACNC • Handling Conflicts of Interest – Institute of Community Directors Australia