

MERCY EDUCATION POLICY

1.08 CONFLICT OF INTEREST - OPERATIONAL INSTRUCTIONS

Introduction

The Mercy Education Limited (Mercy Education) Code of Conduct states that employees and volunteers must manage and declare situations that may give rise to a conflict of interest or the perception of such a conflict. The Mercy Education Policy 1.08 Conflict of Interest recognises the importance of providing a framework in which a conflict of interest is identified, disclosed and managed appropriately.

Purpose

To provide guidance on how to identify, disclose and manage an actual, potential or perceived conflict of interest with Mercy Education or one of its schools. It is expected that individuals participate fully in conflict of interest exposure and management. Each case must be considered on its merits.

Definitions

Conflict of Duty: a conflict of interest can occur when there is conflict between a responsible person's:

- Duty to act in the best interest of the school or Mercy Education; and
- Their duty to another organisation, due to their role in that organisation.

Actual Conflict of Interest: is a real conflict of interest that currently exists.

Conflict of Interest: a conflict of interest arises when a person's personal interests conflict with their responsibility to act in the best interests of the school or Mercy Education. In such cases, the line between personal and professional conduct may become blurred and interfere with an individual's capacity to perform their role or position. Personal interests may be financial or non-financial and may be held in relation to:

- family members
- close friends

Mercy Education- Conflict of Interest (Operational Instructions for Policy 1.08)

Approved by Executive - FEB 2024 Version 1.2

<https://mercyeducation.sharepoint.com/sites/MELExecutive/Shared Documents/Policy Review/Policy Approved/1.08>

Conflict of Interest/1.08

Operational Instructions - Conflict of Interest MEE Revision MAR 2024.docx

- associates

Employee: an individual working in a school environment (or school boarding environment) who is:

- Directly engaged or employed by a school governing authority
- Contracted service provider (whether a body corporate or any other person is an intermediary)
- engaged by the school governing authority to perform child-related work; or
- A minister or religion, a religious leader or an employee or officer of a religious body associated with the school (ref Clergy).

Positive and Negative Conflict of Interest: A conflict of interest is commonly 'positive' (e.g. motivated by financial/personal gain) but can also be 'negative' (e.g. motivated by harm to another person).

Potential Conflict of Interest: A potential conflict of interest is one which is foreseeable from the circumstances but has not yet become actual (for example, where a job applicant is related to a recruitment panel member but the applications have not yet been processed).

Perceived Conflict of Interest: A perceived conflict of interest is one in which the circumstances indicate to a reasonable person that an individual's duty to the organisation is affected, whether there is an actual conflict of interest or not (for example, a politics teacher may belong to a political party without that membership affecting their ability to assess student work: however, it may be perceived that such membership would affect their ability to impartially assess that work).

Responsible Person: An individual able to carry out their responsibilities in relation to the operation of the school in compliance with the laws of the Commonwealth, any state, or a territory relating to the provision of school education

School boarding environment: any physical, online, or virtual space made available or authorised by Mercy Education for a child or student boarding at a school boarding premises to use at any time, including:

- online or virtual school boarding environments (including email, intranet systems, software applications, collaboration tools, and online services);
- other locations provided by the provider of school boarding services or through a third-party provider for a child or student to use including, but not limited to, locations used for:
 - i camps
 - ii) approved homestay accommodation
 - iii) delivery of education and training such as registered training organisations, TAFEs, non-school senior secondary providers, or another school; or
 - iv) sporting events, excursions, competitions, or other events.

School environment: any of the following physical, online, or virtual places, used during or outside school hours:

- A campus of the school
- Online or virtual school environments made available or authorised by the school governing authority for use by a child or student (including email, intranet systems, software applications, collaboration tools, and online services); and
- Other locations provided by the school or through a third-party provider for a child or student to use including, but not limited to, locations used for:
 - i) camps
 - ii) approved homestay accommodation



- iii) delivery of education and training such as registered training organisations, TAFEs, non-school senior secondary providers, or another school; or
- iv) sporting events, excursions, competitions, or other events.

Operational Instruction Coverage

These Operational Instructions are applicable to all Directors, responsible persons and employees of Mercy Education and its schools including:

- Board Directors of Mercy Education
- Mercy Education Company Secretary
- Non-Director Board Committee Members
- College Advisory Council Members
- Mercy Education Executive
- College Principals
- Deputy Principals and equivalent senior leadership roles
- Business Managers and employees in schools with financial responsibilities
- all other employees (as applicable)

Types of Conflict of Interest situations

- 1) A conflict of interest is to be managed in the best interests of Mercy Education to ensure accountability and transparency:

- a) **Other employment/paid or unpaid activities**

An individual undertaking other employment or paid/unpaid activities may give rise to an actual/potential/perceived conflict of interest, particularly when the other work is related to work duties.

Example: an employee works as a paid sports coach with an external party outside of working hours and interacts with students at the school. This is a personal interest which may affect work performance and the employee may need to be excluded from certain discussions or from receiving information about the sporting activity within the school context.

- b) **Disposal of school assets**

The disposal of school assets has potential conflict of interest implications such as fraud or unofficial use of equipment. Individuals related to Mercy Education and its schools do not have priority access to surplus assets.

Example: Mercy Education or one of its schools is disposing of furniture which is listed as surplus asset. A Director, Principal, delegate or employee declares interest in the furniture. Management of the conflict may include documenting the disposal of the item to the individual to ensure the integrity of the transaction.

- c) **Accepting gifts and benefits**

Acceptance of a gift/benefit from an external party could constitute a potential conflict of interest. Individuals should seek advice if unsure how to respond to an offer of a gift or benefit of more than a nominal value. For the purposes of the associated policy, the nominal value



referenced in Policy 1.08 §03 c) is \$75. i.e. a single gift or benefit from a supplier worth less than \$75 shall not be considered a conflict of interest.

Example: If a Director, Principal, delegate or employee receives a gift valued at greater than \$75 from a supplier to Mercy Education or its schools, this gift or benefit must be disclosed at the time of receipt and the purpose of the gift considered such that it does not compromise nor influence further business decisions. If the gift is deemed unlawful, unfair or unethical, it should be returned to the supplier.

d) Procuring goods and services

A potential or perceived conflict of interest may exist when a contractor engaged by Mercy Education or one of its schools is also engaged by an individual for private work. To avoid a potential or perceived conflict of interest for the procuring of goods and services it is recommended that procurement decisions are made by a panel rather than one person.

Example: If a Director, Principal, delegate or employee has a conflict of interest (e.g. family member has an interest in the company, or supplier or contractor is a family member or friend), the approval of the supplier or contract must be made by another delegate who does not have a conflict of interest or if a panel is formed, a conflicted person must not be a member of the panel.

e) Staff recruitment

An actual/potential/perceived conflict of interest exists in the recruitment of a person with whom an individual has a current or past professional/personal relationship or in whose recruitment they have a vested interest. Where an individual is part of a recruitment panel and becomes aware of such a relationship to a job applicant, they should declare the conflict of interest. This may result in the individual being withdrawn from the recruitment panel.

Example: If a friend or relative of a Director, Principal, delegate or employee is applying for a position at a school, then this conflict should be disclosed such that the individual has no involvement nor influence in the recruitment process.

Managing Conflict of Interest / Conflict of Interest Management Plans

- 2) A Register of Interest is required for all responsible persons and relevant employees of Mercy Education. Conflicts of Interest will be noted as a standing Agenda item at all meetings of the Board, Board Committees, and other relevant meetings attended by responsible persons working in a school environment or school boarding environment.
- 3) If there is an actual/potential/perceived conflict of interest, a Conflict of Interest Management Plan should be prepared. A Mercy Education Conflict of Interest Declaration Form is available for this purpose.



Conflict of Interest	Management Plan prepared by:
Board Chair of Mercy Education Ltd	Mercy Ministry Companions Trustees
Director, Non-Director Committee Member or Company Secretary of Mercy Education	Mercy Education Board Chair
Mercy Education Chief Executive	Mercy Education Board Chair
Employee of Mercy Education at National Office	Mercy Education Chief Executive
College Principal	Mercy Education Chief Executive
Employee of Mercy School	College Principal

- 4) Conflict of Interest Management Plans will ensure that a conflict is managed and resolved based on the following strategies (as appropriate):

Recognise	Recognise the type of conflict
Reflect	Reflect on the cause and impact of the conflict of interest
Record and disclose	Ensure all information surrounding the conflict of interest has been disclosed and documented appropriately.
Restrict	Restrictions are placed on the individual's involvement in the matter or the scope of the work is reformulated or there is a restriction on access to certain information. An employee's duties may also be temporarily reassigned
Recruit and monitor	A non-conflicted third party is used to oversee part or all of the process that deals with the matter.
Remove	The individual removes themselves, or is removed, from the matter.
Relinquish	The individual relinquishes the private interest that is creating the conflict. Where relinquishing the interest is not possible (e.g. relationship with family) and the conflict cannot be managed using one of the other options above, the individual may consider removing themselves from the process.



- 5) Conflict of Interest Management Plans included in the Mercy Education Conflict of Interest Declaration Form should be reviewed at least annually or whenever a new or changed conflict of interest arises to ensure they remain effective.
- 6) A Conflict of Interest Register for all responsible persons and relevant employees of Mercy Education should be maintained and updated at least annually or whenever a new or changed conflict of interest arises by each school and by Mercy Education
- 7) Responsible Persons should maintain an awareness of the circumstances in which conflicts can arise and build capacities to prevent conflicts of interest through training.

Conflict of Interest Checklist

- 8) Ensure completion of the following:
 - a. Complete the Mercy Education Conflict of Interest Declaration Form
 - b. Discuss circumstances of the conflict of interest situation with the appropriate person
 - c. Ensure that any conflict of interest is entered in the appropriate Board, National Office or College register
 - d. Follow the specific Conflict of Interest Management Plan
 - e. Monitor the conflict of interest situation on an ongoing basis, informing the Trustee Directors, Board Chair, Chief Executive or College Principal of any change to circumstances of the conflict of interest situation
 - f. Update the Conflict of Interest Register annually or when any new or changed conflict of interest arises.

Related Documents

Mercy Education Limited (MEL)

- *1.08 Policy: Conflict of Interest*
- *1.08 Declaration Form: Conflict of Interest*
- *1.10a Policy: Code of Conduct – Employees and Volunteers*
- *1.12 Related Party*
- *1.13 Responsible Persons*



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Review History:

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