

CONFLICT OF INTEREST GUIDELINES

Key Purpose of these Guidelines

The 2000 Box Hill convention resolved to adopt the Conflict of Interest Policy on the acknowledgement that the District would develop guidelines. In recommending the policy to Convention, the DCC recognized that there would be a significant issue of non-compliance in its implementation across all congregations/parishes.

Principles to be considered in applying the Policy

1. The Statement of Intent, which was published with the policy, reflects the principles that shall be applied across the whole District.
2. Full application of the policy will occur at the District level.
3. At a local level, congregations should endeavour to ensure that the statement of intent and the procedures are complied with.
4. The District Church Council notes that circumstances exist where the policy and its procedures are being breached. These guidelines attempt to provide a transition period. There is always the option of applying for an exemption when a committee/individual wishes to operate outside the policy and procedures.

IMPLEMENTATION GUIDELINES

- **Conflict of Interest Includes “Conflict of Duty”**

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.

- **Member of Employing Committee**

In some committees, employees are members of the committee to which they are answerable.

Guidelines

1. By virtue of their call Pastors are not “answerable” to governing bodies of congregations/parishes (Church Councils, etc). They have been called to an “office” and they are not employees and therefore “accountable” in the conventional sense of the word. Pastors should however absent themselves from any discussion and voting on any matter that relate to their salary/accommodation packages.
Circumstances may occasionally require that a pastor’s case should be represented at a meeting, for example, where a difficulty or dispute exists in regard to accommodation standards, etc. In these circumstances the District President or his nominee will attend the meeting on behalf of the pastor.
2. In some school situations the Principal is a member of the School Council/Board. The 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.
3. Other programs such as camps, community care institutions; etc should follow the guideline 2 above.
4. On occasions retired Pastors become members of governing bodies of congregations/parishes (Church Councils, etc), in some instances in their previous parish. There is potential for conflict of duty where a retired pastor places himself in a position where, because of the relationships developed in his previous position he exercises an influence on the governing body beyond that which would be exercised by a lay person.

- **Spouse/Child as member of Employing Committee**

In some circumstances a Principal’s wife may be a member of a governing/directing body of a School Councils, etc). The principle issue is that there is the possibility of a decision being influenced by the

relationship (interest) between a person and their spouse or child. This may affect their ability to vote on the issue.

(Specific arrangements are made in the procedures for part-time employees)

Guidelines

1. Generally the spouse/child 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 spouse should not seek re-election/appointment.

- **Occasional Potential Conflict of Interest or Duty**

On occasions a member of a committee will perceive that they or another member of the committee may be seen to have a potential conflict of interest or Conflict of Duty with a matter which is listed for discussion or which is introduced during the meeting.

Guidelines

1. If a member perceives his or her own potential conflict they must declare it at the start of the meeting or when the item is discussed. The responsibility is for the member to declare the interest but another member, including the chairman may introduce the question. The meeting has the capacity to determine whether a conflict exists and by so doing excludes the member from voting. Generally a declaration would take the form of “ I declare a conflict of interest in item ‘abc’ on the grounds that I ‘xyz’ ”.
2. Generally a member shall not be involved in discussion on any matter where he or she has declared or the meeting has resolved that a conflict of interest or duty exists. Where the committee resolves such, the member can be invited to remain in the meeting so as to provide information. The intent of the policy is that a person who has a conflict of interest is excluded from exerting any influence whatsoever on those who make the decision.

- **Ongoing Potential Conflict of Interest or Duty**

Guidelines

1. Generally a member shall not be involved in a committee where there is an issue under regular discussion where they are unable to act as a member. In such circumstances the ability of the committee to do its work with a full committee is being compromised. An option exists for leave of absence to be granted where the conflict exists for a particular issue that has a limited duration.

- **Election of a Person who May Have a Conflict of Interest**

On occasions a person may be nominated for election or appointment and those who are nominating may not be aware of a potential conflict. The procedure of requiring a person to provide a written statement of the interest is aimed at ensuring that the nomination may be withdrawn if the matter is of substance. The onus is on the person being nominated.

EXEMPTIONS

Under the policy the Church Council may, on request, provide an exemption to the policy and its procedures. This requires a two-thirds vote of the Church Council and may be granted with conditions.

Note. These Guidelines were approved by District Church Council on 3rd August 2001.

CONFLICT OF INTEREST POLICY

STATEMENT OF INTENT

As a basic principle of fairness recognised by the law and the Church, a person ought not be in a position where the person has a conflict of interest between that person's own interest and that person's duties to others, or to two or more duties owed by the person. Thus "you cannot serve both God and mammon"; a purchasing office cannot sell his/her own goods to his/her employer.

At a District level this means that committee members may not be employees of the committee. Similarly, a committee member may not be a contractor for services supplied to the Church in matters where the committee decides or has influence on the selection of the contractor or prices or has to supervise or check the performance of the contract. The reason for this is that a person who can benefit by the award of a contract has an interest that is quite inconsistent with the committee member's duty to decide, that which is best for the Church, committee or congregation. Further, any review of whether the contract has been performed properly cannot be objectively carried out – that is it cannot be reviewed fairly by the person (as contractor) whose actions are under review. This does not mean that the Church ought not to benefit from the work which sincere Christian workers provide in the secular world as a matter of Christian life and especially so in love for the Lord and service to Him. However, to ensure that uncharitable suspicion does not sour matters and cause unnecessary strife, committee members should be scrupulous to adhere this policy.

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.

REQUIRED PROCEDURES

1. No employee of the District or of a congregation (whether full-time or part-time or casual) may be a member of the committee to which the employee is answerable.
2. No spouse of a full-time employee of the District or of a congregation may be a member of the committee to which the employee is answerable.
3. No spouse of a part-time employee of the District or a congregation may be a member of the committee to which the person's spouse is answerable unless the committee expressly determines otherwise. In the case of a committee of the District, such determination shall not take effect until ratified by the Church Council of the District.
4. No spouse of a full-time employee of the District or of a congregation may also be employed (full-time or part-time) by the District or the congregation (respectively), if such employment or the performance thereof is to be supervised by his or her spouse.
5. No employee or spouse of an employee of a body which receives substantial funding from a committee of the District shall be a member of the committee which recommends or allocates on funding to the body.
6. Procedures 1-5 (inclusive) may also be applicable in the case of children where the quality of the parent and child relationship is such that it gives rise to a reasonable apprehension that a conflict of interest may arise.
7. Where an employee of a Council of the District is submitted for appointment to another committee of the District, the employing committee must declare to the District Church Council whether it considers there is a "conflict of interest" involved.
8. Where a committee of the District appoints or recommends on the employment of a person it shall be satisfied that no conflict of interests exists.
9. 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 decision-making process of the committee in relation to the matter. This shall not operate so as to preclude the member at the request of the committee, from providing information to the committee in relation to the matter.
10. No person who has a conflict of interest in respect of any matter of an ongoing nature for which the committee has responsibility may become or remain a member of that committee. Having regard to the potential duration of an ongoing matter, a sitting member should either seek leave of absence or resign from that committee.
11. A person nominated for election or appointment to a committee whose election or appointment to the committee might in his /her view, create a conflict of interest for the person, shall, prior to the election or decision to appoint, present to the electing or appointing body, a written statement setting out the circumstances which might give rise to the conflict.
12. 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 that a conflict exists, the chairman shall refuse to accept the vote of a member of the committee on the particular item.
13. The agenda for all meetings shall provide for the declaration of any conflict of interest at the commencement of the meeting and the minutes of meetings shall record any declaration or determination of conflict of interest and a member's absence during the relevant decision-making process.
14. The District Church Council shall consider the application of this policy on the request of an individual committee member or a committee or on its own volition and shall have power to grant exemptions, however and any such

exemption shall be granted only on the unanimous resolution of the District Church Council, and then under whatever conditions it chooses to determine.

15. The District Church Council shall power to remove a member of a committee where in its unanimous view a conflict of interest exists or has the potential to exist.
16. In all matters relating to this policy, the decision of the Church Council shall be binding.
17. In this document;
 - a. The term “conflict of interest” shall include conflict of duty. This includes matters such as financial, professional/pastoral performance, etc
 - b. The word “committee” shall include committees, councils, standing committees, boards, schools, rest homes, auxiliaries, task forces and any other bodies created by the District or any body appointed by the District or of any congregation of the District;
 - c. The word employee shall include contractor;
 - d. The word “congregation” shall include parish.
