



Conflict of Interest Policy

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).

Purpose

The purpose is to:

- Encourage high standards of honesty, transparency and integrity within Faith Lutheran College, Redlands (FLCR).
- Provide guidance on how to identify, disclose and manage any actual, potential or perceived conflicts of interest in a transparent manner.
- Ensure people in decision-making positions always act in the best interests of FLCR.

Relevant to

The Policy and related Procedures apply to:

- All ministries and activities of FLCR.
- All employees, pastors, lay workers and volunteers in positions of trust.

Objectives

The objectives of this policy are to ensure that all who hold positions of trust at FLCR:

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

Policy Statement

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

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





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 can be actual, perceived or potential:

- 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.
- Conflicts of interest may be financial or non-financial.

It is not just a person's directly held interests that may be relevant but also the interests of the person's family members and any party (whether a friend, associate or organisation) with whom the person is involved.

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 appropriately 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 Board/Council member 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 Board/Council member is involved.
- A person in a position of authority 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 Board/Council member, 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 Board/Council member.
- A Board/Council member is involved in a decision about a matter that may impact positively or negatively on an existing relationship between the Board/Council member 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 or indirectly 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.





Procedural Principles

The application of this Policy will provide for:

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

Responsible person/s

- College Council (CC) is responsible for implementing this policy and associated procedures across FLCR.
- Principal is responsible for implementing this policy and associated procedures within FLCR.

Updated August 2019
Review August 2021

