



1.08

MERCY EDUCATION POLICY 1.08 CONFLICT OF INTEREST

Introduction:

Mercy Education Limited (Mercy Education) recognises the importance of providing a framework in which a conflict of interest may be identified, disclosed and managed appropriately.

Mercy Education is committed to governing schools that are free from fraud or corruption or the perception of fraud or corruption. This policy has been developed because a conflict of interest may arise and does not need to present a problem to the Directors, responsible persons and employees of Mercy Education and its schools (“individuals”) if they are openly and effectively managed.

Purpose:

To ensure that individuals effectively identify, disclose and manage any actual, potential or perceived conflict of interest in order to protect the integrity of Mercy Education and its schools, and to manage risk.

Definitions:

Actual Conflict of Interest: An actual conflict of interest arises where an individual’s duty to Mercy Education or its schools is affected by a personal interest.

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.

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.

Policy Coverage:

This policy applies 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 Committee Members
- School Principals
- College Advisory Council (CAC) members
- Deputy Principals and senior leadership roles
- Business Managers and employees with financial responsibilities
- all other employees

Policy Statement:

- 01 Mercy Education requires individuals to be aware of their obligations to disclose any conflict of interest that they may have and to comply with this policy to ensure they effectively manage the conflict of interest.

- 02 Apart from the obligations under this policy, individuals may also have conflict of interest obligations arising under their letters of appointment, contracts of employment or under another Mercy Education or school policy in relation to:
 - a. engaging in other employment or paid activities
 - b. disclosure of any social/family relationships with students outside the context of the student/employee relationship
 - c. child safety disclosures

- 03 Types of conflict of interest situations:
 - a. Other employment/paid activities
 - b. Disposal of school assets
 - c. Accepting gifts and benefits
 - d. Procuring goods and services
 - e. Staff recruitment

- 04 Identification and disclosure of conflict of interest
All individuals have a continuing responsibility for identifying, declaring and managing any actual, potential or perceived conflict of interest that applies to them.

Where a Director, non-Director Committee Member or Company Secretary of Mercy Education suspects that they may have an actual/potential/perceived conflict of interest, the Director, non-Director Committee Member or Company Secretary needs to discuss any conflict of interest with the Board Chair and provide the Board with a completed Conflict of Interest Declaration form.

A Board Chair with an actual/potential/perceived conflict of interest needs to discuss any conflict of interest with the Institute Leader of the Institute of Sisters of Mercy of Australia and Papua New Guinea (ISMAPNG) who is, along with her Institute Councillors, a member of the company 'Mercy Education Limited' and provide the Board with a completed Conflict of Interest Declaration form.

A Chief Executive with an actual/potential/perceived conflict of interest needs to discuss any conflict of interest with the Board Chair and provide the Board with a completed Conflict of Interest Declaration form.

If an actual/potential/perceived conflict of interest arises unexpectedly without an opportunity to discuss with the appropriate person and consequently creates an inability to complete the Conflict of Interest Declaration form, the actual/potential/perceived conflict of interest should be declared at the time of discovery, recorded in the official Minutes and the Conflict of Interest Declaration form completed at the first available opportunity.

The identification, disclosure and management of a conflict of interest by employees of Mercy Education are detailed in the associated Operational Instructions for this Policy.

- 05 Managing a conflict of interest
If it is determined that there is an actual/potential/perceived conflict of interest, a Conflict of Interest Management Plan will be prepared, and reviewed on an agreed basis.

- 06 Consequences of breaching this policy
Having a conflict of interest does not necessarily amount to a breach of this policy. However, failure to disclose a conflict of interest may constitute a breach and may result in disciplinary action or termination of employment.

Related Documents:

Mercy Education Operational Instructions: Conflict of Interest
Mercy Education Conflict of Interest Declaration Form
Mercy Education Code of Conduct

Review History:

Version	Date Released	Next Review	Author	Approved
1.0	October 2019	October 2022	MEL Executive	MEL Board