

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

The purpose of this Policy is to ensure that each responsible person of the school and all Directors and employees of Mercy Education understand their obligation to identify, disclose and manage conflicts of interest to manage risks and meet regulatory requirements.

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
- associates

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).

Policy Coverage

This policy applies to all responsible persons as identified in the Responsible Persons Policy, and employees of Mercy Education and its schools including:

- Board Directors of Mercy Education
- Mercy Education Company Secretary
- Non-Director Board Committee Members
- Mercy Education Executive personnel
- College Principals
- Deputy Principals and equivalent senior leadership roles
- Business Managers and employees in schools 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 need 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 Chairperson of Mercy Ministry Companions Ltd (MMCL) who, along with fellow MMCL Directors constitute the 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*.

A Mercy Education Executive member, Mercy Education employee or School Principal with an actual / potential / perceived conflict of interest needs to discuss any conflict of interest with the Chief Executive and provide the Board with a completed *Conflict of Interest Declaration Form*.

Deputy Principals, Business Managers and other employees in schools with financial responsibilities with an actual / potential / perceived conflict of interest needs to discuss any conflict of interest with the College Principal and provide the Board with a completed *Conflict of Interest Declaration Form*.

05 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.

06 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.

07 Registering a Conflict of Interest

If it is determined that there is an actual / potential / perceived conflict of interest, the Conflict of Interest will be entered into the relevant Board or College Conflict of Interest register.

08 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.

09 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.

Related Documents

Mercy Education Limited

- *1.08 Operational Instructions: Conflict of Interest*
- *1.08 Declaration Form - Conflict of Interest*
- *1.10a Policy: Code of Conduct – Employees and Volunteers*

Review History

Version	Date Released	Next Review	Author	Approved
1.0	October 2019	October 2022	MEL Executive	MEL Board
1.1	March 2023	November 2025	Head of Business Operations	MEL Board