

## Conflict of Interest Policy

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### Section 1 – Background and Purpose

- (1) This Policy outlines the principles applying to actual, potential or perceived conflict of interest. Generations in Jazz Inc. (Generations) is committed to fostering a culture where staff/committee members/board members/volunteers (Staff) at every level are free of influences, interests and relationships that might conflict, or give rise to the potential or perception of a conflict of interest.
- (2) The objectives of this Policy are:
  - a. to protect Generations interest in impartial and objective decision making
  - b. to protect the reputation of Generations by maintaining ethical standards of good judgement, fairness and integrity in all its dealings
  - c. to ensure that staff always observe the highest standard of professional conduct
  - d. to avoid any activity/interest that might reflect unfavourably upon a staff member's own integrity, or upon the integrity/good name of Generations.

### Section 2 – Scope

- (3) This Policy applies to all staff/committee/board members, honorary, adjuncts and also includes sub-contractors and volunteers. Collectively referred to as staff.

### Section 3 – Policy Statement

- (4) A conflict of interest may exist where the following may lead to an unfair advantage or disadvantage when making decisions on behalf of Generations:
  - a. our personal relationships;
  - b. connections with former employers and former employees;
  - c. participation in external activities;
  - d. interest in another like business;
  - e. personal gain in making business decisions.

### Common areas of Conflict of Interest

- (5) The following are common areas where a conflict of interest may arise or exist:
  - a. personal relationship involving students
  - b. personal relationship involving staff/committee/board member

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- c. commercial activity
- d. directorships and shareholdings
- e. financial
- f. gifts, benefits and hospitality
- g. other employment
- h. recruitment and selection

### Types of Conflicts

Actual Conflict	Potential Conflict	Perceived Conflict
<p>An actual conflict involves a direct conflict between a staff member's duties and responsibilities to Generations and a competing interest or obligation, whether personal or involving a third party.</p> <p>Eg: A staff member assesses a tender submitted by a business in which the staff member has a financial interest.</p>	<p>A potential conflict of interest arises where a staff member has an interest or obligation, whether personal or involving a third party, that could conflict with the staff member's duties/responsibilities to Generations.</p> <p>Eg: A staff member has a personal relationship with a student or staff member of Generations.</p>	<p>A perceived conflict exists where it could reasonably be perceived, or give the appearance, that a competing interest could improperly influence the decision/activities of a staff member.</p> <p>Eg: A staff member has an interest in a performance where a relative or family friend is a participant and has an influence on the outcome of the performance.</p>

### Expected Behaviour

- (6) Generations expects all staff to act ethically, with integrity and to maintain the highest professional standards at work under the Code of Conduct and values. All staff must do everything possible to avoid conflicts of interest. In general, staff should avoid the following situations:
- a. having a material financial interest or acting as a director, officer or employee for any competitor, customer or supplier with which Generations does business.
  - b. accepting any offer or receipt of gifts or other benefits that could affect either party's impartiality, influence a business decision or lead to the improper performance of their responsibilities
  - c. using Generations funds, facilities, equipment, personnel or know-how to benefit other personal or business interests
  - d. be involved in activities and/or have a personal relationship which may provide an unfair advantage or disadvantage when making decisions on behalf of Generations.
- (7) Should an actual, potential or perceived conflict exist, staff should take actions in accordance with the procedures such as:
- a. remove themselves from the conflict;
  - b. ensure appropriate controls are in place to manage the conflict;
  - c. where required, disclose the conflict or improper conduct.

## Breaches of Policy

- (8) Generations will take steps to identify and manage actual, potential and perceived conflicts of interest.
- (9) Pending the outcome of an investigation/enquiry staff may be subject to disciplinary action in accordance with Generations policies/procedures. In cases of serious conflict of interest, this may even lead to termination of employment/office.
- (10) Refer to the procedures below for further information.

## Section 4 - Procedures

### Preamble

- (11) This procedure provides further information on the common areas where conflicts of interest occur and the process of declaring an actual, potential or perceived conflict of interest.

### Personal Relationships

- (12) Generations expects all staff to act ethically, with integrity and to maintain the highest professional standards at work. Those representatives in personal relationships with another representative must:
  - a. ensure that work-related considerations are the only ones used in business decisions
  - b. avoid impropriety
  - c. work without bias
  - d. do not abuse authority
  - e. remove and/or mitigate any conflict of interest
  - f. act appropriately in the work environment

### Staff/Staff

- (13) Where a staff member has a personal relationship with another staff member, that staff member shall not:
  - a. be the direct manager/team leader
  - b. be involved in work processes as detailed below
  - c. have access to the personal files of the staff/committee/board member
  - d. submit a medical certificate, for any purpose, from a person with whom the staff member has a close relationship

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- (14) Where a relationship does exist between two staff members, and has formally been approved, the following work processes must be engaged in with respect to each other:
- a. recruitment, selection, appointment, transfer, promotion, termination
  - b. assessment, reviews and performance management processes
  - c. selection for any employee/committee/board member recognition or award
  - d. salary, incentive, bonus, awards, reviews and job reclassification
  - e. staff member development opportunities
  - f. conditions/terms of employment
  - g. leave approvals
  - h. assigning work and rostering shifts
  - i. engagement as a consultant or contractor
- (15) Should Generations identify any behavioural/relationship which it believes to be inappropriate/unacceptable disruptive or affect the work environment in a negative manner, then Generations reserves the right to review the work situation and take appropriate steps to avoid and/or resolve the situation.
- (16) In so doing, the staff who is/are the subject of the relationship may be required to undertake all reasonable steps and directions to resolve or avoid the issue to the extent necessary to protect the interests of Generations and/or other staff.
- (17) The Chief Executive Officer (or delegate) and the Chairman of the Board will determine and oversee any arrangement for the management of the staff in personal relationships.

## Staff/Student

- (18) Where staff have a personal relationship with a student, that staff member should not participate in or contribute to that student's:
- a. selection for any scholarship or prize
  - b. disciplinary proceeding
  - c. adjudication
- (19) Staff should terminate any supervisory and/or evaluative role and make alternative arrangements for the supervision and/or evaluation of the student's performance.
- (20) The Chief Executive Officer (or delegate) and the Chairman of the Board will determine and oversee any arrangement for the management of the staff in personal relationships with students.

## Staff/Third Party

(21) Where staff have a relationship with a third-party person/company/organisation, staff should not participate in or contribute to decision being made which may provide an unfair advantage or disadvantage for that third party. Third parties may include (but are not limited to) contractors, casual staff, suppliers etc.

For example, a manager/team leader must sign a time sheet for a casual employee they have a personal relationship with or staff must not approve payment of an invoice for a supplier if staff have a personal relationship/interest with the approved supplier.

## Commercial Activities

(22) Commercial business activities (as defined below) must not be entered where actual conflicts of interest for the staff exist.

## Directorship, Shareholding and Relationships

(23) Where staff hold an interest in a directorship, shares or has a personal relationship with a company staff should:

- a. remove themselves from the conflict;
- b. ensure appropriate controls are in place to manager the conflict;
- c. disclose the conflict prior to any business activity taking place.

## Financial

(24) A financial conflict of interest (or pecuniary interest) may arise:

- a. where staff who has budgetary responsibilities for a school or department also has a personal interest (or a person with whom the member has a close personal relationship has a personal interest) in an activity that is to be funded out of that school/department
- b. with respect to Generations financial decisions in which staff is involved, including but not limited to investments, loans, purchases or sales of goods/services, equity (shares) and accounting decisions
- c. with respect to matters both financially and non-financial implications, such as decisions about the use of Generations equipment and facilities and the negotiation of sponsorship agreements.

(25) Staff who fail to disclose a private interest may face disciplinary action from Generations.

(26) Generations must comply with the financial reporting direction and must make a statement as to whether "Declarations of Pecuniary Interests" have been duly completed by all relevant officers.



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### **Gifts, Benefits and Hospitality**

- (27) Staff must decline all offers of gifts, benefits and hospitality for personal gain.
- (28) Generations does however recognise that situations may arise where it is not possible to decline the offer. In all cases, staff must ensure that the gift, benefit or hospitality is an expression of goodwill and not an expectation of a return favour.

### **Limitations of Accepting Gifts, Benefits and/or Hospitality.**

- (29) Receiving gifts, benefits and hospitality with a fair market value of \$150 or less to staff is generally permitted without seeking approval.
- (30) Deliberately undervaluing a gift, benefit or hospitality to avoid reporting it; or to fraudulently keep it may constitute a breach of the policy.
- (31) Receiving gifts, benefits and hospitality valued over \$150 is not permitted unless there is an overriding business reason and staff have obtained the written approval of the Chief Executive Officer or Chairman (or delegate).

### **Cultural Gift Acceptance**

- (32) In circumstances where staff are representative of Generations at business, social, cultural or community events, and it would cause offence to decline an official gift, it is reasonable for official representatives of Generations to accept an official gift on behalf of Generations.
- (33) Such gifts should be managed in the same way as a significant major gift or benefit and be registered in the same way. They will be considered the property of Generations and where possible displayed in an appropriate and secure location.

### **Ordinary Business Means and Hospitality**

- (34) Occasionally business partners may wish to take us out for a reasonably priced meal or beverages to discuss business or they may provide occasional hospitality in connection with a business meeting or discussion.
- (35) This is permitted if all the following criteria are met:
- a. the purpose of the invitation is to discuss business
  - b. the value is reasonable
  - c. the setting is conducive to business.

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### Business Partner Sponsored Events

- (36) Staff must never accept:
- a. anything illegal
  - b. anything conditional or receiving something in return, like favourable business terms or an advantage in a tender process, often called a “Quid Pro Quo”(this for that)
  - c. cash or cash equivalents, like cheques, loans, stock, stock options, and gift certificate redeemable for cash
  - d. anything that is sexually oriented, offensive or inappropriate.
- (37) Should staff be uncertain about accepting a gift, benefit or hospitality, they should seek clarification from their manager/team leader or Chairman (in the case of CEO)

### Other Employment

- (38) Whilst in specific cases there may be obvious benefits to both staff and Generations for staff to hold other employment in conjunction with their Generations employment, there also exists a potential for an actual, potential or perceived conflict of interest where more than one employment relationship exists at the same time. In this case, it is important that staff comply with their Generations obligations during Generations paid hours of work.

### Recruitment and Selection

- (39) Generations believes that the working relationships between people engaged by Generations must be based on integrity and trust. Staff involved in close personal relationships must avoid impropriety, bias and abuse of authority and conflict of interest.
- (40) Staff can recommend someone they have a close personal relationship with for a vacant position, however they should not take any direct part in the selection process for any appointment for which this person is an applicant.

### Non-Disclosure

- (41) There may be situations where the staff may manage a conflict without disclosing the conflict (actual potential or perceived).
- (42) In such cases it is sufficient for staff to:
- a. remove themselves from the conflict and
  - b. ensure appropriate controls are in place to manage the conflict.

eg. Staff have been requested to join the selection committee for a vacant role in which a relative is an applicant for. Staff manages the conflict by removing themselves as part of the selection panel for interviewing any applicant for that role.

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### Disclosure Obligations

#### Staff/committee

- (43) As soon as staff become aware that they have an actual, potential or perceived conflict of interest they should either:
- remove themselves from the conflict;
  - ensure appropriate controls are in place to manage the conflict;
  - where required, disclose the conflict and improper conduct.
- (44) Staff have the option of reporting improper 'conduct' of staff with protections under Generations [Protected Disclosure Policy](#)
- (45) If staff have any doubt as to whether a conflict exists, they should seek advice from their manager/team leader or Chairman of the Board.
- (46) Refer to the 'Disclose and reporting' process below.

#### Board Members

- (47) Generations Board Members are required to avoid all conflicts of interest and declare any such interests in accordance with the ASIC "Duty to disclose conflicts of interest"

### Disclosure and Reporting Process

- (48) The method for reporting a conflict of interest, depending on the nature of the conflict of interest. One of the following reporting mechanisms should be used:
- the Protected Disclosure Policy for improper conduct
  - the acceptance of gifts, benefits or hospitality advice during the Committee or Board meeting process and minuted accordingly.
  - advised in writing to a manager or team leader.

### Management of Conflict of Interest

- (49) Notifications of conflict of interest will be reviewed by the Chief Executive Officer unless otherwise outlined in the appropriate policy or procedure. Under direction of the Chief Executive Officer, a management plan will be established, which may include:
- nature of staff personal interest
  - interest/s of Generations which staff personal interest do or could conflict
  - likelihood of the interests coming into conflict
  - decisions or actions which staff agree to avoid doing and participating in and
  - decisions or actions which it is agreed staff can take or do



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(50) The chosen management strategy must consider a number of factors, including:

- a. the nature of the conflict of interest
- b. the operating environment
- c. legal requirements and
- d. general practicality.

(51) Once a management plan is approved by the Chief Executive Officer it must be:

- a. documented
- b. signed by all parties and placed on their personal file
- c. recorded in the Disclosure of Conflict of Interest Register and
- d. reviewed on an as needs basis

(52) All documents should be marked “confidential” and access strictly limited to those staff who need access for official purposes.

(53) In developing this plan any party to the conflict of interest may consult with a Human Resources Professional for guidance and assistance.

### Breaches

(54) Generations will take steps to identify and manage actual, potential and perceived conflicts of interest.

(55) Pending the outcome of an investigation/enquiry, staff may be subject to disciplinary action.

### Privacy

(56) Generations respects the privacy of staff personal information and health information. Information collected will be used in accordance with the Privacy Act 1988.

## Section 5 - Definitions

(57) For the purpose of this policy and procedure:

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- a. **Associates:** Includes relatives, business and domestic partners (includes married/de facto relationships whether or not they are cohabitating at the time)
- b. **Conflict of Interest** is assessed in terms of the likelihood that staff possessing particular interest could be improperly influenced, or might appear to be improperly influenced, in the performance of their duties.
- c. **Decision making** is the choice whereby staff concludes about a given circumstance, situation and/or position.
- d. **Disclose** is the act of revealing or something that is revealed.
- e. **Financial Interest** is any employment, business activity or other right, claim, title or legal share in something that has a monetary or equivalent value. Examples of financial interest include, but are not limited to, shares, share options, dividends, and the right to receive remuneration or other benefits such as salaries, director's fees, consulting fees, allowances and discounts.
- f. **Improper conduct** means corrupt conduct or specified conduct that is not corrupt but that would, if proved constitute a criminal offence or reasonable grounds for dismissal. Specified conduct is defined in the Protected Disclosure Act 2012 to mean conduct that is dishonest, breaches public trust, involved the misuse of information, a substantial mismanagement of public resources, a substantial risk to public health or safety or a substantial risk to the environment
- g. **Non-financial interest** is any community or other voluntary activity or involvement including with a sporting club, church, political party or other formal or informal association or group.
- h. **Personal relationship** is defined to include spouse, domestic partner, de facto, children, siblings, parents, grandparents, cousins, aunt, uncle, nephew, niece, relations of similar status by marriage, sexual relationships, civil partners, business and financial relationships
- i. **Private financial interest:** Substantial sources of income (More than A\$10,000pa) other than from paid employment with Generations. This includes outside employment, business activities, company directorship/board memberships, distributions from trusts, directorships of trusts and significant shareholdings (more than 5% of issued capital) in a public or private company.
- j. **Private non-financial interests:** Memberships of community groups or organisations and voluntary directorships/board memberships.



## Generations in Jazz Inc.

### Related documentation

#### Generations in Jazz policies:

- [Code of Conduct](#)
- Protected Disclosure Policy

#### Federal legislation:

- Privacy Act 1988
- Protected Disclosure Act 2012
- ASIC – Duty to disclose conflict of interest