

Conflict of Interest Policy and Procedure

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Purpose

This policy and procedure sets out a framework for the declaration and management of conflicts of interest by the stakeholders of Australia Institute of Future Education (**AIFE**).

The aim is to provide sound governance arrangements to ensure the effective and transparent management conflicts of interest.

Scope

This policy applies to all stakeholders of AIFE. This includes employees and members of the governing body, including the Board of Directors (BoD), the Academic Board and sub-committees they convene. It applies to the management of conflicts of interests, as defined in the definitions table.

Rationale

AIFE holds with utmost importance disclosing conflicts of interest.

As part of appointing members of the BOD, members are required to disclose their interests which are recorded in a Register of Declaration of Interests.

A Declaration of Interests is an standing agenda item in BOD meetings. Any new interests disclosed will be updated and managed effectively.

A process for managing and addressing potential or real conflicts of interest is critical for AIFE to demonstrate it satisfies the requirements of Standard 6.1.1 of the *Higher Education Standards Framework (Threshold Standards) 2021 (HESF)* for its BoD to include independent members.

The corporate governance standards, of which Standard 6.1.1 is one, are considered by TEQSA to be some of the most important in the HESF because:¹

...the governing body has a fundamental influence on the operations of a provider. It is involved in setting corporate directions, setting and monitoring performance targets, proactively identifying and mitigating risks, monitoring financial viability and sustainability, and influencing corporate culture... Any shortcomings in governance expose a provider to significant risks.

Viewed in that light, AIFE's ability to offer quality higher education and to operate in compliance with the HESF requires that:

- The BoD, its sub-committees, and the Academic Board and its sub-committees can ensure its members continue to be independent of management and have no material interests which can interfere with their ability to 'exercise independent judgement as a director'²

¹ TEQSA, Guidance Note: Corporate Governance, Version (<https://www.teqsa.gov.au/latest-news/publications/guidance-note-corporate-governance>)

² TEQSA, Guidance Note: Corporate Governance, Version 2.4, 26 August 2019 (<https://www.teqsa.gov.au/latest-news/publications/guidance-note-corporate-governance>)

- Staff engaged by AIFE who makes decisions that can impact AIFE, can make these decisions in the best interest of AIFE and without influence from personal interests

This Policy and Procedure formalises practices to date and provide an official framework for AIFE to address and manage conflicts of interest in future, so that those who make significant decisions make these decisions in the best interests of AIFE.

Policy

Statement

Any existing or potential, conflicts of interest should be disclosed by a stakeholder AIFE.

In order for the BOD to assess any potential conflict, all interests should be documented in a Register of Declaration of Interests.

If a stakeholder of AIFE believes another staff or governing body member has an undisclosed conflict of interest, the basis of this conflict should be specified in writing.

Where a stakeholder of AIFE or a governing body member has a conflict of interest relating to the operations of AIFE, that person shall not initiate or take part in any discussion or contribute to decision making on that topic. If that person is a governing body member, that person shall not vote, or contribute to a decision, on that matter.

Procedure

Governing Body Members

As part of induction, a new member must disclose to the Chair of the relevant governing body any interests that could result in a conflict of interest (e.g. involvement with other organisations, providers, vendors or business interests, or with any other associations).

This information should be declared in the Disclosure of Interest Form. An example is provided at **Appendix A**.

Governing body members must disclose any conflicts of interest of which they become aware either at the start of the meeting concerned or when a relevant issue arises.

When this occurs, the relevant member should leave the meeting as soon as that item comes up for discussion.

The nature of this conflict of interest should be entered into the meeting minutes.

Please note that under to the *Corporations Act 2001*, if a member of the BOD has material personal interest in a matter where a conflict arises the member is under a duty to disclose that interest and must not be present while the matter is voted on (sections 192-195).

Staff members

Upon commencement of employment, a staff member must disclose any potential conflict of interest in the Disclosure of Interest Form (at **Appendix A**) and submit it to the immediate supervisor.

Responsibilities

The Chair of the Board of Directors is responsible for drawing prospective member's attention to this policy and procedure.

All stakeholders are responsible for abiding by the requirements of this policy and procedure.

Definitions

For the purposes of this Policy, the following terms are defined as follows:

Conflict of interest	An interest or activity that influences, or may appear to influence, the ability of a member of AIFE's stakeholders to exercise objectivity. To avoid any doubt this includes the following terminology: material personal interests, real or actual personal interests, perceived personal interests or potential personal interests.
Governing Bodies	Means the Board of Directors and its sub-committees, and the Academic Board and its sub-committees

Version history

Version #	Changes	Approval Body	Approval Date
1.0	New policy	Board of Directors	28 February 2022

Additional Information

Policy Status	Approved
Policy Owner	CEO
Next Review Date	3 years from Approval Date
Related Internal Documents	Register of Declaration of Interests
Higher Education Standards Framework (Threshold Standards) 2022	Standards 6.1.1
Other legislative or regulatory instruments	Not applicable

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Appendix 1 | Disclosure of Interest Form

Australia Institute of Future Education (**AIFE**) requires all staff and governing body members to disclose significant relationships and associations which may create conflicts of interest.

A conflict of interest, or a perception of a conflict, can arise when a transaction, action or relationship with AIFE conflicts with the personal or financial interests of that of AIFE's stakeholder, including the stakeholder's immediate family member or employer if the stakeholder is a member of AIFE's governing body.

Please indicate below any relationships, transactions, or positions you hold (volunteer or otherwise), or circumstances that you believe could create a conflict of interest, financial or otherwise.

I have the following Interests to disclose:

For example: *shares in x company, membership of x organisation, business/personal relationship with x*

Entity or Individual	Involvement, % ownership, consulting or contractual relationship, family or social ties, etc.	Proposed method for handling the conflict (disclosure, refrain from voting, recision of papers referring to issues, etc.)

I understand that it is my obligation to disclose a conflict of interest, current or potential, or a perception of a conflict, to AIFE when a conflict, or perception of a conflict, arises, and that for transactions in which I have a conflict I will manage the conflict in the manner recorded above.

I have read, understood, and abide by the *Conflict of Interest Policy and Procedure*.

Signature: _____

Date: _____