Conflict of Interest Procedure

Policy Code: CG1060

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Purpose

The University values integrity and is committed to ensuring that both its official activities and those of its community members conform to the highest standards of administrative conduct. This Procedure clarifies the responsibilities of and processes for all members of the University community (including students) to ensure that no conflict of interest exists between their personal interests and their duties and responsibilities to the University.

Scope

This procedure applies to all members of the University community and students of the University who may be in a position to influence decisions according to their own interests or personal beliefs in areas including but not limited to

• Student selection for entry to the University;
• Student assessments;
• Employment of staff;
• Selection of staff;
• Supervision of staff;
• Awarding tenders;
• Selection of contractors or vendors for University services or purchases;
• Authorisation of expenditure; and
• Where a member of the University community holds secondary employment that may compromise their responsibilities with the University.

Definitions

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Close personal relationship</td>
<td>Means a relationship which arises from being a member of immediate or extended family, or in a relationship which gives rise to a real or potential conflict of interest and includes such matters as matrimonial (including de facto), sexual, business and financial relationships.</td>
</tr>
<tr>
<td>Conflict of interest</td>
<td>A conflict of interest arises where there is a divergence between the individual interests of a person and their professional responsibilities such that an independent observer might reasonably conclude that the professional actions of that person may be unduly influenced by their own interests. This can include actual, perceived or potential conflicts of interest.</td>
</tr>
<tr>
<td>Gift</td>
<td>A gift or benefit under this policy is something that has a monetary value or worth, or other advantage or privilege derived as a result of a business-related relationship connected with the University. Examples could include a dinner at a restaurant, tickets to attend a sporting or cultural event, gifts for a cultural holiday, or an item presented on reaching agreement with a supplier.</td>
</tr>
<tr>
<td>Members of the University Community</td>
<td>Includes staff, students, members of the University Council and members of any board, committee or other body established by or constituted under the University Statutes and Regulations.</td>
</tr>
<tr>
<td>Staff</td>
<td>Includes any person who has an employment contract with the University and/or its predecessors on a full-time, part-time, sessional or casual basis, or those employed through a contract for services.</td>
</tr>
<tr>
<td>Student</td>
<td>Means any person enrolled as a student of the University, including full-time, part-time, block-mode or distance education students, who is or appears to be in a position to make decisions on behalf of the University, or influence decisions made on behalf of the University.</td>
</tr>
<tr>
<td>Supervisor</td>
<td>The management position (no lower than an Executive Dean of Faculty or Director) to which the staff member reports and who has the requisite knowledge and authority to make a determination regarding an actual or potential conflict of interest.</td>
</tr>
</tbody>
</table>

Actions

Any member of the University community who considers that a conflict of interest exists or may exist is required to disclose the matter in writing to:

• If the member is a staff member, then to his or her Supervisor; or
• If the member is not a staff member, then to the Secretary to Council.

The Supervisor and Secretary to Council must forward all disclosures to the Legal Office for recording.

Close personal relationships
Involving students

Where a member of the University has a close personal relationship with a student, that member of the University community shall not participate in or contribute to that student's:

- Selection for entry to the University;
- Selection for entry into any undergraduate or postgraduate course offered by the University;
- Selection for casual employment with the University;
- Assessment of student progress;
- Classification for honours;
- Selection for any scholarship or prize;
- Honours or postgraduate supervision;
- Disciplinary proceeding;
- Application for student loan;
- Application or assessment for support services.

Subject to this Procedure, where a close personal relationship between a staff member and a student has created, or has the potential to create a conflict in the supervision and/or assessment of the student, the staff member must formally terminate any supervisory and/or evaluative role and make alternative arrangements for the supervision and/or evaluation of the student's work.

If the Executive Dean of Faculty believes that it is not altogether possible for a staff member to avoid the supervision and/or assessment of a student with whom that staff member is involved in a close personal relationship, the Executive Dean must determine and oversee an alternative arrangement for the supervision and/or assessment of the student's work and inform the Vice Chancellor of the alternative arrangement.

If a student needs to submit a medical certificate for any purpose which affects his or her assessment, the student may not submit a medical certificate from a person with whom the student has a close personal relationship.

Involving staff

Where a member of the University community has a close personal relationship with a staff member, that member shall not:

- Be the direct supervisor of the staff member; or
- Be involved in decision making or procedures leading to the appointment, promotion, disciplinary proceedings or any other determination relating to employment conditions, benefits or entitlements for the staff member; or
- Have access to the personal files of the staff member.

If the Supervisor believes it is not altogether possible for a staff member to avoid the supervision of another staff member with whom he or she has a close personal relationship, the Supervisor must report the matter to the appropriate Deputy Vice Chancellor. The Deputy Vice Chancellor will determine and oversee an alternative arrangement for the supervision of the staff member, and inform the Vice Chancellor and the Director, Human Resources of that arrangement.

Under no circumstances may a staff member submit a medical certificate from a person with whom the staff member has a close personal relationship.

Directorships and shareholdings

Warning - Uncontrolled when printed! The current version of this document is kept on the FedUni website.
Directors of companies outside of the University have a duty to avoid any actual or potential conflict between their duty to the external company and their duty to the University. The Council of the University shall have sole responsibility for all dealings in relation to the University’s interests in a company.

To prevent such conflicts of interest arising, all members of the University community are required to:

• Request permission from the Finance Committee of the Council to participate in the formation of, or be a member of, or hold a directorship in a company that has or may have a commercial or financial interest with the University;
• Make no commitment to or for the benefit of the company on behalf of the University;
• Refuse any shareholding or interest in a company (including on the part of a family member, family trust or family company) in exchange for a contribution made to the company in the staff member’s capacity as an officer of the University;
• Have no authority to deal with a shareholding owned by the University.

Financial conflicts

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

• Where a staff member who has budgetary responsibilities for an organisational unit 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 unit;
• From a University researcher’s financial involvement in an external company that funds part of the research being undertaken by the researcher at the University, such that the researcher’s activities at the University could lead to professional, personal or economic gain, thereby providing incentive to bias the design, conduct or reporting of research;
• With respect to University financial decisions in which a member of the University community is involved, including but not limited to investments, loans, purchases or sales of goods, services, equity (shares) and financial accounting decisions;
• With respect to matters with both financial and non-financial implications, such as decisions about the use of University equipment and facilities and the negotiation of research and license agreements.

Acceptance of gifts

The University does not encourage the proffering of gifts in the workplace. However, a member of the University community may give or accept a gift which is offered as part of a social, cultural or ceremonial practice as part of their connection to the University.

However, if acceptance of a gift in direct or indirect relation to performance by a member of the University community may be regarded as an acceptance of inducement to act in a certain way, thereby creating a real or perceived conflict of interest, a member of the University community should not accept the gift.

Any gifts accepted by members of the University community must be recorded in the Gift Register held by the Legal Office. Members of the University community wishing to record gifts, or who have any queries relating to the offering or acceptance of gifts, should contact the Legal Office for assistance.

Vice Chancellor and Chancellor

Where the Vice Chancellor expresses an actual or perceived conflict of interest, or where the Vice Chancellor is involved in the matter, the Chancellor is deemed to be the Supervisor for the purposes of this procedure. If a conflict of interest is deemed to exist, the Secretary to Council shall liaise with the Chancellor to resolve the matter.
Where the Chancellor expresses an actual or perceived conflict of interest, or where the Chancellor is involved in the matter, the Vice Chancellor and the Deputy Chancellor are deemed to be the Supervisor for the purposes of this procedure. If a conflict of interest is deemed to exist, the Secretary to Council will liaise with the Vice Chancellor and Deputy Vice Chancellor to resolve the matter.

Failure to disclose

The University reserves the right to direct staff members to provide information. Failure to do so will constitute a breach of the Conflict of Interest Policy and this Procedure. Any failure to comply with this Policy and Procedure may be considered serious misconduct, depending on the nature of the conflict of interest. It should be noted that consequences of serious misconduct may include termination of employment. Regardless of the nature of the conflict of interest, any breach of this Procedure may be subject to disciplinary action.

Other members of the University community, excluding staff, who fail to comply with the Conflict of Interest Policy and Procedure may be removed from office or their association with the University, in accordance with the Federation University Australia Act 2010 (Vic), University Statute 1.3 and University policies and procedures.

Responsibilities

Members of the University community

Members of University Council, or members of any board, committee or other body established by or constituted under the University Statutes and Regulations who consider that a conflict does, or may, exist must immediately disclose the matter to the Secretary to Council. The member must keep this disclosure confidential unless directed otherwise.

Staff

Staff members who consider that a conflict of interest does, or may, exist must immediately disclose the matter to their Supervisor. The staff member must keep this disclosure confidential unless directed otherwise.

Supervisors

Supervisors who receive a disclosure will acknowledge the disclosure and determine whether any conflict of interest exists. The Supervisor must report any conflict of interest to the Legal Office. The Supervisor will then (if appropriate):

- Authorise the staff member to continue in his/her current duties and put in place additional processes to ensure the impartiality of the staff member in performing their duties; or
- Reorganise the duties of the staff member to remove the conflict of interest; and/or
- Report the matter to the appropriate Deputy Vice Chancellor for determination of appropriate action.

Secretary to Council

The Secretary to Council who receives a disclosure shall report the matter to the University’s Legal Office and liaise with the Chancellor to resolve the matter.
Legislative context

- Federation University Australia Act 2010 (Vic)
- Statute 1.3 (Meetings)

Associated documents

- Conflict of Interest Policy
- Staff Code of Conduct
- Gifts, Benefits, Hospitality, Food and Beverages Policy