

# **Australian College of Audiology Ltd (ACAud)**

## **Conflict of interest policy**

The Board of Australian College of Audiology Ltd is committed to high standards of ethical conduct and accordingly places great importance on making clear any existing or potential conflict of interest.

### **1. Purpose**

This policy has been developed to provide a framework for board and committee members in declaring conflicts of interest and determining how to deal with situations of conflict.

It is to help board members of *ACAud* to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of *ACAud* and manage risk.

### **2. Objective**

The *ACAud* Executive Committee (called the 'board' in this policy) aims to ensure that board members are aware of their obligations to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of *ACAud*

### **3. Key concepts and definitions**

A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of the organisation. A personal interest includes the private, professional or business interests of a person, or of the individuals or groups with whom they have a close association, such as relatives, friends or even enemies. Personal interests may be pecuniary or non-pecuniary.

- Pecuniary: a pecuniary interest refers to an actual or potential financial gain or loss for the person, their family, friends or close associates.
- Non-pecuniary: a non-pecuniary interest refers to an interest that is not financial or monetary but arises from such things as personal relationships, beliefs or involvement in social, cultural, religious or sporting activities.

A conflict of interest may be actual, perceived or potential.

- Actual: an actual conflict of interest occurs when there is a conflict between a person's official duties and responsibilities in serving the public interest, and their personal interest.
- Perceived: a perceived conflict of interest occurs when a reasonable person, knowing the facts, would consider that a conflict of interest may exist, whether or not this is the case.
- Potential: a potential conflict of interest occurs where a person has a personal interest that could conflict with their official duties in the future.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of the organisation and must be managed accordingly.

#### **4. Scope**

- This policy applies to employees, whether full-time, part-time, fixed-term or on contract;
- board and/or committee members;

#### **5. Policy**

This policy has been developed because conflicts of interest commonly arise, and do not need to present a problem to the organisation if they are openly and effectively managed. It is the policy of the Australian College of Audiology Ltd as well as a responsibility of the board, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the obligations to ACAud.

ACAud will manage conflicts of interest by requiring board members to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest
- carefully manage any conflicts of interest, and
- follow this policy and respond to any breaches.

## **5.1 Responsibility of the board**

The board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across the organisation.
- monitoring compliance with this policy, and
- reviewing this policy on an annual basis to ensure that the policy is operating effectively.

## **5.2 Identification and disclosure of conflicts of interest**

Once an actual, potential or perceived conflict of interest is identified, it must be entered into ACAud's register of interests, as well as being raised with the board. The register of interests must be maintained by **Corporate Administrator** and record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

### **Confidentiality of disclosures**

Members of the AcAud Board will have access to the Conflict of Interest register.

## **6. Action required for management of conflicts of interest**

### **6.1 Conflicts of interest of board members**

Once the conflict of interest has been appropriately disclosed, the board (excluding the board member disclosing and any other conflicted board member) must decide whether or not those conflicted board members should:

- vote on the matter (this is a minimum),
- participate in any debate, or
- be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a board member from regularly participating in discussions, it may be worth the board considering whether it is appropriate for the person conflicted to resign from the board.

## **6.2 What should be considered when deciding what action to take**

- In deciding what approach to take, the board will consider whether the conflict needs to be avoided or simply documented
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- alternative options to avoid the conflict
- the organisation's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the organisation.

The approval of any action requires agreement of a quorum of the board (excluding any conflicted board member/s) who are present and voting at the meeting. The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

## **7. Compliance with this policy**

If the board has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the board may take action against them. This may

include but is not limited to terminating their relationship with the organisation.

If a person suspects that a board member has failed to disclose a conflict of interest, they must notify the board, or the person responsible for maintaining the register of interests.