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1. PURPOSE

The purpose of this policy is to help IWDA effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity and reputation of IWDA, its partners and the sector, and to manage risk.

Conflicts of interest are common and are not of concern where they are declared by those holding the conflict and openly and effectively managed by the organisation. An actual or perceived conflict of interest that has not been declared or properly managed poses the risk to IWDA that a person will make, or be perceived to be making, a decision based on, or affected by, this interest.

2. SCOPE

This policy applies to all employees, volunteers, contractors and Board Directors of IWDA, and to all activities undertaken by IWDA.

3. DEFINITIONS

A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

A conflict of interest occurs where a person has private interests that could improperly influence, or be seen to influence, their decisions or actions in the performance of their duties. A private interest is any interest that might influence a person to act. There are four different categories of private interest:

Direct Interest	Includes an employee's or director's own personal, family, professional or business interests.
Indirect Interest	Includes the personal, family, professional or business interests of individuals or groups with whom the employee or director is, or was recently, closely associated.
Financial Interest	Involves an actual, potential or perceived financial gain or loss. Money does not need to change hands for an interest to be financial. People have a financial interest if they (or a relative, or a close associate) own property, hold shares, have a position in a company bidding for work; receive benefits such as concessions, discounts, gifts or hospitality, or can benefit financially from a decision significantly influenced or made by the organisation.
Non-financial Interest	Arise from personal or family relationships, or involvement in sporting, social or cultural activities. They include any tendency toward favouritism or prejudice resulting from friendship, animosity, or other personal involvement with another person or group. If personal values are likely to impact on the proper performance of duty, these can also lead to a conflict of interest.

A private interest could also include a conflict between the duties or obligations of Board Directors, employees, contractors and volunteers to IWDA, and another duty or obligation that person has (for example, to another organisation).

4. POLICY

It is the policy of IWDA that all ethical, legal, financial or other conflicts of interest be avoided where possible and that where any such conflicts do arise, these are identified, declared and appropriately managed .

IWDA manages conflicts of interest by requiring all Board Directors, employees, contractors and volunteers to:

- conduct themselves with integrity and demonstrate awareness of the importance of ethical practices
- avoid conflicts of interest where possible
- identify and immediately disclose any perceived, potential and actual conflicts of interest
- carefully and actively manage any conflicts of interest that are declared and
- ensure that they are familiar with and comply with this Policy, ACFID's Code of Conduct and other relevant policies and requirements.

4.1 Identification, Disclosure, Recording and Reporting of Conflicts of Interest

IWDA promotes a culture of trust, honesty and integrity. It has zero tolerance to fraud and financial misconduct. IWDA policies and procedures reflect a commitment to an ethical and transparent environment where all Board Directors, employees, contractors and volunteers act ethically and actively participate in protecting the organisation's reputation and resources.

IWDA has a procedure for addressing and recording perceived, potential and actual conflicts of interest. This is managed through the Conflict of Interest Declaration issued to all Board Directors, employees, contractors and volunteers relating to all activities undertaken by the organisation.

IWDA has procedures to enable open and fair procurement of goods and services, which serve to address and avoid any conflicts of interest in such processes. These are found in the IWDA Procurement Policy and related procedure.

Any Board Directors, employees, contractors or volunteers who think that they might have a conflict of interest must declare this. Employees, volunteers and contractors must declare this to the CEO. The CEO and Board Directors must disclose this to the Chair or the Board.

Perceived, potential and actual conflicts of interest are recorded in the Conflict of Interest Register.

The Conflict of Interest Register is maintained by the Company Secretary and records information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

If a person suspects that any Board Directors, employees, contractors or volunteers have failed to disclose a conflict of interest, they must discuss this with the person in question and refer them to this policy. They must also notify the CEO. If the person in question is the CEO, then the co-Chairs of the Board must be notified.

4.2 Conflicts of Interest of Board Directors

The IWDA Board Charter and the Corporations Act 2001 (Par 2D.1 Division 2) set out the responsibilities and expectations of all Board Directors, including in relation to management of conflicts of interest. This includes:

- required declarations at the time of appointment and on an ongoing basis, including at the commencement of each Board meeting
- at any time in the usual conduct of business at IWDA, if any Board Director considers a matter presents a potential conflict of interest, the Director must declare that interest at the earliest opportunity, to the Board or the co-Chairs
- Subsequent involvement in the matter concerned shall be at the discretion of the Chair and the Board, provided that if the Director has a material personal interest within the meaning of section 195 of the Corporations Act, they will abstain from voting or otherwise participating in the decision on the issue as and where required by the Act

4.3 Conflicts of Interest of Employees, Contractors and Volunteers

Once a conflict of interest has been identified or disclosed, the CEO must decide how it will be managed. Where the conflict of interest involves the CEO, the CEO must disclose this to the Chair or Board, who will decide how it will be managed

The action and decision about how the conflict will be managed will be communicated to the person in question and recorded in the Conflict of Interest Register.

4.4 Related Party Transactions

A related party transaction is a transfer of resources, services, or obligations between related parties (that is, parties with a pre-existing relationship). It does not have to include financial payment. A related party transaction can include:

- purchases, sales or donations
- receiving goods, services or property
- leases
- transferring property, including intellectual property
- loans
- guarantees
- providing employees or volunteers
- a Responsible Person of a charity providing professional services (for example, accounting or legal services) at a discounted rate or for free

Related party transactions are common and are not necessarily a problem in and of themselves. In fact they can sometimes bring about benefits for not-for-profit organisations through, for example, access to discounted goods or services. However, related party transactions can also bring about issues with potentially damaging conflicts of interest, meaning there is a risk that a related party transaction may not be in the best interests of the charity.

IWDA is committed to managing any related party transactions to ensure they are handled appropriately, transparently and in IWDA's best interests. IWDA must record and report annually any related party transactions – both incoming and outgoing. These transactions need to be reported before decisions are made.

4.5 Compliance with this Policy

Failure by any person to comply with the requirements of this policy will be regarded very seriously and may result in disciplinary action, up to and including termination of their employment, appointment or relationship with IWDA.

5. IMPLEMENTATION

The Board is responsible for:

- approving, overseeing and reviewing this policy and associated systems
- responding to any breaches by Board Directors or the CEO

The CEO is responsible for:

- implementing processes for identifying, disclosing, managing and monitoring conflicts of interest across the organisation;
- responding to any breaches by employees, contractors or volunteers;
- ensuring organisational compliance with this policy.

6. REVIEW AND AMENDMENT

This policy will be reviewed every three years to ensure it remains compliant with law, relevant and effective. All amendments must be approved by the Board.

7. REFERENCES/RELATED DOCUMENTS

- Conflict of Interest Declaration Form
- IWDA Conflict of Interest Procedure
- IWDA Conflict of Interest Register
- IWDA Code of Conduct
- IWDA Fraud and Corruption Policy
- IWDA Partnership Agreements and Funding Orders
- IWDA Procurement Policy
- IWDA Procurement Procedure
- IWDA Risk Management Policy

- IWDA Risk Assessment Matrix
- IWDA Delegations Policy
- IWDA Delegations Matrix
- IWDA Whistle Blower Policy
- IWDA Whistle Blower Procedure
- IWDA Board Charter
- [ACFID Code of Conduct](#)
- [ACNC Governance Standards](#)
- [Fundraising Institute of Australia Code of Ethics and Professional Conduct](#)
- [Australian Charities and Not-for-profits Commission Act 2012 \(Cth\)](#)
- [Related party transactions | ACNC](#)
- [Regulatory Guide RG 76 Related party transactions \(asic.gov.au\)](#)
- Corporations Act 2001