



**PROJECT ROZANA**

**פרויקט רוזנה** **مشروع روزانا**

# **CONFLICT OF INTEREST POLICY & PROCEDURES**

<b>VERSION</b>	<b>1</b>
<b>PERSON RESPONSIBLE</b>	<b>Executive Director</b>
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## POLICY AMENDMENTS

This is a working document and subject to amendment. This Policy will be available in English, Hebrew and Arabic.

Any suggestions about this Policy should be directed to the Project Rozana Australia Executive Director so changes can be considered. Any amendments or changes to the Policy will be submitted to the Board for endorsement.

The Executive Director is responsible for maintaining this document, including updating confirmed changes, informing staff of the changes, and disseminating the latest version across the organisation.

Any changes or amendments involve the following steps:

- Updating the Document Version table on the first page;
- Updating the relevant provision in this manual;
- Replacing the updated version of the manual e.g., shared drives, Intranet;
- Printing a hard copy of the updated manual for the office;
- Communicating the changes to all staff; and
- Archiving the old version of manual.

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## 1. PREAMBLE

This policy was written by Project Rozana in Australia. It may be used as a template across all Project Rozana offices. Project Rozana operates five offices registered in each of Australia, USA, Canada, UK and Israel, which are part of the Project Rozana Global Alliance. In this policy, 'Chair' means Chair of Project Rozana International. Unless specified otherwise the 'Board' refers to the board of Project Rozana Australia.

## 2. PURPOSE

Project Rozana is committed to high standards of ethical conduct and accordingly places great importance on making clear any existing or potential conflicts of interest. The purpose of this policy is to help Board members, staff, volunteers and contractors effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of Project Rozana and manage risks.

Project Rozana aims to ensure that Board members, staff, volunteers and contractors 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 Project Rozana.

### 2.1 The Reality That Conflicts of Interest Will Arise

It is accepted that from time to time, Conflicts of Interest will arise despite diligent efforts to avoid their occurrence. This reality is, of itself, not a breach of this Policy, however this Policy requires that Conflicts of Interest be identified effectively and disclosed transparently so that they can be managed appropriately.

## 3. DEFINITIONS

Project Rozana defines a conflict of interest as a situation in which a personal interest may interfere with a person's responsibility to act in the best interest of the NGO. Personal interests include direct interests as well as those of family, friends, or other organisations a person may be involved with or have an interest in (for example, as a shareholder). It also includes a conflict between a Board member's duty to Project Rozana and another duty that the Board member has (for example, to another charity).

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

**Actual Conflict of Interest:** A direct conflict with your Project Rozana responsibilities, stemming from a personal or third-party interest or obligation that affects your ability to make impartial decisions.

**Potential Conflict of Interest:** A conflict with your Project Rozana responsibilities, stemming from a personal or third-party interest or obligation, that could, in the future affect your ability to make impartial decisions.

**Perceived Conflict of Interest:** A conflict where it could reasonably be perceived or give the appearance that a personal, third-party interest or obligation would affect your ability to make impartial decisions while carrying out Project Rozana responsibilities.

## 4. POLICY AND POLICY PRINCIPLES

Conflicts of interests may occur if an interest or activity influences, or appears to influence, the ability of a Board member to exercise objectivity. 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 Project Rozana, and the responsibility of the Board and staff, to make clear any ethical, legal, financial or other conflicts of interest. All such conflicts of interest shall be declared by the Board or staff member concerned and documented in the Register of Interests in Appendix A.

Project Rozana will manage conflicts of interests by requiring Board and staff members to:

- Avoid conflicts of interests where possible;
- Identify and disclose any conflicts of interest;
- Carefully manage any conflicts of interests;
- Respond to any breaches;
- Not initiate or take part in Board discussions or staff meetings on topics where conflicts of interest exist unless invited to do so by unanimous agreement by other members present; and
- Not vote on matters where there are conflicts of interest.

### 4.1. Responsibility of the Board

The Board is responsible for:

- Establishing a system for identifying, disclosing and managing conflicts of interest across the organisation. At a minimum, this includes making conflict of interest a standing agenda item for all Project Rozana Australia and International Office Board meetings, including the Executive Board;
- Monitoring compliance with this policy; and
- Periodically reviewing this policy to ensure that the policy is operating effectively.

Project Rozana is registered with the Australian Charities and Not-for-profits Commission (ACNC) and hence must ensure that its Board members are aware of the ACNC governance standards and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.

The ACNC governance standards are available [here](#) and a copy of governance standard 5 is also provided at Appendix B.

## 4.2 Identification and disclosure of conflicts of interests

Board members shall declare any conflicts of interest of which they become aware either at the start of the Board meeting concerned or when a relevant issue arises. The nature of this conflict of interest should be entered into the meeting minutes. The interest should also be documented in the Register of Interests.

Where all of the other Board members share a conflict, the Board can refer to governance standard 5 to ensure that proper disclosure occurs. The Register of Interests will be maintained by the Project Rozana Executive Directors in each country. The Register of Interests 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.

Staff can declare a conflict of interest at any time, by raising it with their supervisor, and the Executive Director. The conflict is reported to Board and a separate Register of Interests is maintained for staff, contractors and volunteers, also noting the nature and extent of the conflict of interest and any steps taken to address it.

## 4.3 Confidentially of disclosures

Only the following people will have access to the information relating to conflicts of interest disclosed by Board and staff members:

- Board members and Board observers; and
- Project Rozana Executive Management

## 5. ACTION REQUIRED FOR MANAGEMENT OF CONFLICTS OF INTEREST

### 5.1 Conflicts of interests 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; and
- 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 conflicted person to resign from the Board.

### 5.2 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 the agreement of at least a majority 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.

## 6. COMPLIANCE WITH POLICY

If the Board or Executive Director has a reason to believe that a person subject to the policy has failed to comply with it, they will investigate the circumstances. If it is found that this person has failed to disclose a conflict of interest, the Board or Executive Director may take action against them. This may include seeking to terminate their relationship with the organisation.

If a person suspects that a Board or staff member has failed to disclose a conflict of interest, they must discuss with the person in question and notify the other Board members, or the Executive Director in the case of staff.

## 7. DOCUMENT CONTROL INFORMATION

Date	Version	Revised Description	Reviewed/ Updated by
27/4/2021	V1	Created	Board of Directors
1/8/2023	V1	Reviewed. No changes	Board of Directors



**APPENDIX A: REGISTER OF INTERESTS**

Name of board member	Description of interest	Has the board been notified?	Date of disclosure	Steps taken by board for dealing with the conflict	Actions taken by the board member to address the conflict



## APPENDIX B: ACNC GOVERNANCE STANDARD 5

### Governance standard 5: Duties of responsible persons

This standard requires charities to take reasonable steps to make sure that the following duties apply to responsible persons and that they follow them. The duties can be summarised as follows:

- to act with reasonable care and diligence
- to act honestly and fairly in the best interests of the charity and for its charitable purposes
- not to misuse their position or information they gain as a responsible person
- not to disclose conflicts of interest
- to ensure that the financial affairs of the charity are managed responsibly, and
- not to allow the charity to operate while it is insolvent.

Generally, the duties mean that responsible persons should act with standards of integrity and common sense.

#### Purpose of this standard

A charity must make sure that its responsible persons are required to meet a set of legal duties. This ensures that they act in the best interest of the charity and in a way that doesn't endanger its work. Responsible persons have a responsibility to put the interests of their charity above their own personal interests. Generally, they need to be careful and conscientious in their roles and act with standards of common sense and integrity.

The purpose of this standard is to give the public confidence that your charity's responsible persons are managing the charity well and meeting these duties.

#### Ways to meet this standard

Steps your charity can take to meet this standard are to:

- bring these duties to the attention of responsible persons (such as providing them with a copy of this guidance or other resources) or outline their duties in a letter of appointment or by setting them out in a board or committee charter
- regularly provide information or training to responsible persons on their duties to refresh their knowledge (such as by advising of ACNC webinars on relevant topics, such as Welcome to the board)
- encourage responsible persons to attend, prepare for, and participate at meetings
- have processes for the responsible management of money
- have processes in place to manage conflicts of interests, and
- take action if your responsible persons are failing to meet their duties.

### Other laws on the duties of responsible persons

Your charity's responsible persons may already be subject to duties under other laws that apply to it. For example:

- equivalent duties exist in state or territory incorporated associations legislation – if your charity and its responsible persons comply with these duties, your charity will meet this standard
- for companies under the Corporations Act 2001 (Cth), the governance standards replace most requirements relating to director duties under this Act. However, some criminal offences under this Act and similar duties under common law continue to apply. [Read more about the changes for charities registered with ASIC and ACNC](#), and
- trustees will generally have higher duties (for example, under the common law).