

# 1. Organisational

## 1.4 RCM Conflict of Interest Policy

*This policy must be read in conjunction with Riverina Conservatorium of Music (RCM) Organisational Policies General Outline, Definitions and Relevant Legislations.*

### 1. Purpose

- a. The purpose of this policy is to help Board members of the Riverina Conservatorium of Music Ltd (RCM) to effectively identify, disclose and manage any actual, potential or perceived conflict of interest in order to protect the integrity of the RCM and manage risk.
- b. The RCM Board of Management (hereafter referred to as the 'Board' in this policy) aims to ensure that Board members are aware of their obligations to disclose any conflict of interest they may have, and to comply with this policy to ensure they effectively manage any conflict of interest as representatives of the RCM.

### 2. Additional Definitions

- a. **Conflict of Interest:** A conflict of interest occurs when a person's personal interest conflicts with their responsibility to act in the best interests of the RCM.

These situations present the risk that a person will make a decision based on, or affected by, these influences and must be managed accordingly.  
Such as, but not limited to:-

- i. 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).
- ii. Conflict of interest also includes a conflict between a board member's duty to the RCM and another duty that the board member has (for example, to another organisation).
- iii. A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

### 3. Application of Policy

- a. This policy applies to the Board members of the RCM including the Director (CEO) and to other senior Executive Staff including:
  - i. The RCM Associate Director
  - ii. The RCM Deputy Director Finance and Administration

- iii. RCM Heads of Department

### **3.1 Roles and Responsibilities**

#### **a. RCM Director (CEO)**

- i. The RCM Director (CEO) shall maintain the RCM Board of Management's Conflicts of Interest Register in accordance with the RCM's Records Management Policy.
- ii. The RCM Director (CEO) shall assess any request for access to the register.

#### **b. Board members**

- i. All RCM Board members shall declare conflicts of interest as they arise.
- ii. The Board is responsible for:
  - 1. establishing a system to identify, disclose and manage conflicts of interest across the RCM
  - 2. monitoring compliance with this Policy, and
  - 3. reviewing this policy to ensure that the Policy is operating effectively.
  - 4. The RCM board members must be aware of the ACNC governance standards, particularly governance standard 5 (Duties of Responsible People), and disclose any actual or perceived material conflict of interests as required by governance standard 5.

## **4. Details**

- a.** This Policy has been developed as conflicts of interest commonly arise, and these need to be identified and openly and effectively managed. It is the policy of the RCM 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 interfere with the obligations to the RCM.
- b.** The RCM shall manage conflicts of interest by requiring Board members to:
  - i. avoid conflicts of interest where possible
  - ii. identify and disclose any conflicts of interest
  - iii. carefully manage any conflicts of interest, and
  - iv. follow this Policy and respond to any breaches.

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

- a.** Meetings of the RCM Board of Management will include an opening Agenda Item entitled: Conflicts of Interest.
- b.** Once an actual, potential or perceived conflict of interest is identified, it must be entered into the RCM's Conflicts of Interest Register, as well as being raised with the Board.

- i. Where all Board members share a conflict, the Board should refer to the Australian Charities and Not-for-profits Commission (ACNC) governance standard 5 to ensure that proper disclosure occurs.
  - ii. The Conflicts of Interest Register shall be maintained by RCM's Director (CEO). The Register shall 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.
- c. Confidentiality of disclosures**
- i. The Conflicts of Interest Register maintained by the Director (CEO) will not be made available to the public.
  - ii. The Conflicts of Interest Register may be made available to members of the RCM upon application in writing to the RCM's Director (CEO).
    - 1. The Director (CEO) will assess the public interest against disclosure of the register in consultation with the Executive of the Board of Management prior to disclosure.

## **4.2 Action required for management of conflicts of interest**

- a.** Once a conflict of interest has been appropriately disclosed, the Board of Management (excluding the Board member disclosing and any other conflicted Board member) must decide whether or not those conflicted Board members should:
  - i. vote on the matter (this is a minimum),
  - ii. participate in any debate, or
  - iii. be present in the room during the debate and the voting.
- b.** In exceptional circumstances, such as where a conflict is very significant or likely to prevent a Board member from regularly participating in discussions, the Board shall consider whether it is appropriate for the person conflicted to resign from the Board.

## **4.3 Considerations when deciding on action**

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

- b. 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 Conflicts of Interest Register.

#### **4.4 Compliance with this policy**

- a. If the Board has reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.
- b. If a person subject to the policy is found to have failed to disclose a conflict of interest, the Board may take action against them. This may include seeking to terminate their relationship with the RCM.
- c. If a person suspects that a Board member (other than the chair) has failed to disclose a conflict of interest, they must notify the Chair of the Board of Management.
- d. If a person suspects that the Chair of the Board of Management has failed to disclose a conflict of interest, they must notify the Deputy Chair of the Board of Management and the Chief Executive Officer.

#### **5. Variations**

- a. If a worker is unsure about any matter covered by this Policy, they should seek the assistance of the Executive Team Member(s).
- b. *The RCM reserves the right to vary, replace or terminate this policy from time to time.*

#### **Policy version and revision information**

***Policy drafted by: Hamish Tait***

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***Policy Reviewed by: Amanda Gibson***

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