

Conflict of Interest Policy

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Purpose

To establish a framework for the identification, declaration and management of actual, potential or perceived conflicts of interest at Murdoch University in accordance with best practice and relevant legislations.

Audience

This policy applies to all employees, members of Senate and Senate Committees and Research Students of the University and its subsidiaries.

Definitions

Any defined terms below are specific to this document. The definition of common terms appears in the Murdoch University Dictionary of Terms.

- “Close personal relationship” means a relationship between an employee and a relative, a financially dependent person, a friend, a de facto partner or any person with whom there is currently, or has been, an intimate relationship, including students. This does not include a working relationship which exists only due to ordinary collegiate academic or professional collaboration, where colleagues are not relatives, financially dependent persons, friends, de facto or intimate partners.
- “Financial interest” means any right, claim, title or legal share in something having a monetary or equivalent value. Examples of financial interest include, but are not limited to, equity interests (shares, share options or other ownership interests), intellectual property rights and the right to receive remunerations such as salary, consulting fees and the like.
- “Gift, benefits and hospitality” includes but is not limited to food, hospitality, travel, promotional items or entertainment, attendance at events in the context of the employment relationship.
- “Employees” - for the purpose of this policy, the term employee includes all full time and part time employees on permanent, fixed term or casual employment and honorary appointments.
- A “conflict of interest” includes actual, perceived or potential conflicts as follows:
 - “Actual conflict of interest” is where an employee’s personal or private interests directly affect or impact their duties to the University or their professional judgement in exercising a University duty or responsibility.

- “Perceived conflict of interest” is where a reasonable person might perceive that such influence as described in conflict of interest could exist.
- “Potential conflict” of interest is where a conflict may arise in the future between current or future official responsibilities and existing or future private interests.
- “Private interest” refers to any interest that involves potential gain or loss (financial or non- financial) for an employee or for any other person or entity that employee may wish to benefit (e.g. family, friends, and associates) or disadvantage (e.g. competitors, rivals).
- “Administrative Head” refers to a Director of an Office, Pro-Vice Chancellor, Head of an Institute or their equivalents. For Directors of Offices, Pro-Vice Chancellor, Head of an Institute or their equivalents and Senior Executives, “Administrative Head” refers to their respective supervisor. For committee members, the chair of the committee is the “Administrative Head”.

Roles and Responsibilities

Different levels of University staff have different levels of responsibility in relation to this policy as outlined below:

- **Senate and Senate Committee Members**
 - The University Senate oversees and monitors the Conflicts of Interest Policy through the Audit and Risk Committee. The Senate is responsible for the approval of the University’s Conflicts of Interest Policy and satisfies itself that the University has appropriate resources, processes and systems in place to identify and manage instances of conflicts of interest.
 - Senate members are responsible for following the Disclosure of Interest requirements as per the Murdoch University Act 1973, Schedule 1, Division 2 – Disclosure of Interests. These requirements are also extended to Senate Committee members.

- **Audit and Risk Committee**

The Audit and Risk Committee is responsible for:

- Providing oversight on the University’s Conflict of Interest process, including the effectiveness of the system and the results of management’s investigation and follow-up of any instances of non-compliance with the Conflicts of Interest Policy.
- Endorsing the University’s Conflicts of Interest Policy.

- **Office of Audit and Risk Management**

The Office of Audit and Risk Management is responsible for:

- Providing advice for the assessment and management of conflicts of interest.
- Management of the central Conflict of Interest Database.

- Developing, managing, reviewing and updating the Conflicts of Interest framework, comprising the Conflicts of Interest Policy, procedures, guidelines and processes, where relevant.
- **Administrative Heads**
Administrative Heads are responsible for the following within their area of responsibility:
 - Ensuring conflicts of interest are identified, reported, appropriately managed and monitored in accordance with the Conflicts of Interest Policy.
 - Approving conflict of interest management plans.
- **Supervisors**
Supervisors are responsible for the following in relation to employees reporting to them:
 - Ensuring conflicts of interest are identified, reported, appropriately managed and monitored in accordance with the Conflicts of Interest Policy.
 - Reviewing all Conflict of Interest declarations submitted to them and informing their Administrative Head of the conflict of interest.
 - Determining an appropriate course of action to manage conflicts and ongoing monitoring of conflicts, in consultation with their Administrative Head and the Office of Audit and Risk Management.
 - Ensuring conflict of interest management plans as necessary, are prepared, agreed with employees and approved by the Administrative Head.
 - Ensuring the outcomes of conflict of interest declarations are documented within the central Conflicts of Interest Database and are supported by appropriate documentation as required, which is to be retained by the supervisor in accordance with the University's Records Management requirements.
- **Employees:**
Employees are responsible for the following:
 - Understanding and complying with this policy.
 - Submitting an annual Conflict of Interest declaration and disclosing any conflicts of interest identified outside of the annual declaration process as soon as possible.
 - Updating ongoing declarations to ensure the information remains current at all times.
 - Complying with their conflict of interest management plan.

Policy Statement

Murdoch University is committed to maintaining an organisational culture which ensures that actual, potential or perceived conflicts of interest are managed appropriately.

A conflict of interest refers to a situation where an employee's personal or private interests, relationships or duties come into actual, potential or perceived conflict with the employee's:

- Duties to the University; or
- Professional judgment in exercising a University duty or responsibility.

The test is whether an independent observer may reasonably question the factors affecting decisions or actions or benefits to an employee, and not whether they have in fact affected the decision or action or benefit.

The overarching principle is "if in doubt, disclose it". This is the basis on which this policy must be considered.

1. Conflict of interest situations

There are a number of situations within University duties that may give rise to actual, potential or perceived conflicts of interest. Provided below are examples of situations, noting that this list is not exhaustive:

1.1 Conflicts of interest in research

Conflict of interest is outlined in the [Australian Code for the Responsible Conduct of Research](#) (the Code) as a principle and responsibility. The Code's supporting guide, *Disclosure of interests and management of conflicts of interest*, provides examples. The [National Statement on Ethical Conduct in Human Research](#) (National Statement) outline the responsibilities of institutions and researchers with regards to conflicts of interest in human research. The University employees are required to comply with the requirements of both the Australian Code and National Statement.

1.2 Commercialisation

Commercialisation of research is important to the University and substantial benefits can arise from collaborations and relationships with industry in the licensing and marketing of research output and in the creation of spin-off companies. All employees who have or are likely to have conflicts of interest arising from commercialisation activities must disclose such conflicts fully and appropriately so that they can be managed accordingly.

1.3 Business relationships

1.3.1 An employee must disclose any conflict of interest they have in relation to an entity which has a business relationship with the University.

1.3.2 This includes an employee, or a person with whom the employee has a close personal relationship:

1.3.2.1 Individually has, or collectively have, a significant financial interest (directly or indirectly) in the business, or;

1.3.2.2 Is an executive of the business or;

1.3.2.3 Has a position of influence or significant or relevant decision making authority in the business.

1.4 Acceptance of gifts, hospitality or benefits

1.4.1 An employee must not solicit or must not accept any gifts, hospitality or benefits (irrespective of the value) when to do so would, or could reasonably be seen to:

1.4.1.1 Place the employee in a compromising position or influence the employee's ability to impartially discharge her or his duties to the University; or

1.4.1.2 Damage the University's reputation or integrity.

1.4.1.3 Gifts, hospitality or benefits of a value greater than \$200 must be disclosed to the Office of Audit and Risk Management via the Gift and/or Benefit form. Gifts, hospitality or benefits from the same party that cumulatively exceed \$200 within a period of one year must also be disclosed. The employee's Administrative Head in consultation with the Office of Audit & Risk Management will then decide as to whether the employee must retain, refuse, return or hand the gift, hospitality or benefit over to the University.

1.5 Recruitment and supervision of employees

1.5.1 An employee participating in any recruitment activity in respect of a person with whom the employee has had, or is having, a close personal relationship must disclose this relationship in writing at the earliest opportunity, in accordance with the University's Recruitment Policy and Procedures. That employee must not have a casting vote or final say on the recruitment outcomes.

1.5.2 An employee must disclose when they are in a supervisory or decision making role with respect to another employee with whom he or she has had, or is having, a close personal relationship.

1.6 Relationship with students

1.6.1 An employee must disclose any current or former close personal relationship with a student, where they are involved in any academic or administrative decision-making processes in respect of that student.

1.7 Paid outside work

1.7.1 An employee engaging in external activities; including consulting work, community service work, business activities and involvement with professional bodies must, to the extent practical, ensure that:

1.7.1.1 Any use of university resources, other than incidental

use, is disclosed;

1.7.1.2 Those activities do not interfere with the employee's contractual obligations as an employee of the University; and

1.7.1.3 The activities are not of such a nature as would bring discredit the University or compromise the University's intellectual property.

1.7.2 An employee must disclose any external activities they are involved in either personally or through a third party, where these activities come in conflict to their duties as employee of the University or are in competition with the University or any of its controlled entities.

1.8 Procurement of Goods and Services

1.8.1 Suppliers of goods and services, appointed through Request for Quotation or Tender process, must disclose any actual, potential or perceived conflicts of interest that they may have with the University, its employees or representatives in relation to the provision of goods or services. This must be disclosed prior to the awarding of procurement outcomes and during the provision of goods or services should circumstances change.

1.8.2 Employees, agency staff and external consultants involved in procurement decisions, including involvement in procurement panels, must declare any actual, potential or perceived conflict of interest in accordance with the relevant Procurement Policy and Procedures.

1.8.3 Employees, agency staff and external consultants involved in authorising appointment of vendors, managing, administering or coordinating with vendors in respect of delivery of goods, services, or contracts by the vendors to the University must declare any actual, potential or perceived conflict of interest as and when they may arise.

1.9 Senate members

1.9.1 In addition, the conflict of interest disclosure requirements for Senate members are as per the Murdoch University Act 1973, Schedule 1, Division 2 – Disclosure of Interests. These requirements are also extended to Senate Committee members.

1.10 Involvement in Decision Making Bodies

1.10.1 An employee or any other person, who is a member of a University Committee or decision making body, must declare any actual or potential conflict of interest in any matter under discussion by the committee or body, as soon as they become aware of the potential conflict. They must then withdraw from the meeting, unless given leave to remain, and must not vote on the matter. Declarations made must be documented accordingly in the minutes of the

meeting.

1.11 Other situations

- 1.11.1 In any other situation of actual, potential or perceived conflict of interests outside of the above, such conflicts must be disclosed and managed appropriately in accordance with this policy. If in doubt, disclose the matter and/or seek advice from the Director Audit and Risk Management on the appropriate approach.

2. Disclosing, assessing and managing conflicts of interest

- 2.1 All employees are required to submit an annual Conflict of Interest Disclosure statement via the Office of Audit and Risk Management central Conflict of Interest Database by the 31st of March each year, stating either no or yes to an actual, perceived or potential conflict of interest in accordance with this Policy.
- 2.2 Where employees have stated yes, details of the conflict of interest must be provided and then reviewed by the employee's supervisor. The employee's supervisor must include the actions and comments within the central Conflict of Interest Database on how the conflict of interest will be managed. This must be supported by a conflict of interest management plan, as necessary. The conflict of interest management plan must be agreed with the employee and approved by the Administrative Head. If agreement is unable to be reached, the Administrative Head will determine the approach in consultation with the Director Audit and Risk Management. Advice should be sought from the Director Audit and Risk Management, when unsure about the appropriate approach to manage a conflict of interest or when a conflict of interest management plan is necessary.
- 2.3 Ongoing conflicts of interest must also be reviewed and updated as part of the annual disclosure statement to ensure that the information remains correct, and the management responses continue to be appropriate and effective.
- 2.4 Outside of the Annual Declaration process, employees are required to make a conflict of interest declaration in the central Conflicts of Interest Database as soon as reasonably practicable once a conflict of interest has been identified or circumstances to an existing disclosure have changed.
- 2.5 A declaration is only valid if it is made within the central Conflicts of Interest Database except in the capacity of a member of a procurement panel, recruitment panel or Senate and Senate Committee or other University Committees, where existing declarations processes exist and are to be followed.
- 2.6 Where a conflict of interest has been identified, there are six options for managing conflicts of interests. The chosen management responses must take into account the nature of the conflict of interest, risks to the University, operating environment, legal requirements and general practicality:

Six responses for managing conflicts

- **Remove** - Removing a conflict of interest which poses an unacceptable risk to, or impact on, the University's interests is the preferred strategy. For example, the concerned employee does not participate at all in the matters associated with the conflict of interest.
- **Relinquish** - Relinquishing the private interest which is creating the conflict.
- **Restrict** - A conflict of interest may be reduced by ensuring that the employee concerned has restrictions placed on their involvement in the relevant matter, or that another employee or organisational area takes responsibility for the matter.
- **Recruit** - A conflict of interest may be shared by engaging or involving a third party to participate or oversee part or all of the decision-making process that deals with the relevant matter.
- **Resign** - Resignation may be an option if the conflict of interest cannot be resolved in any other way.
- **Retain** - A conflict of interest may be retained and the employee continues to be involved in the matter concerned, subject to a regular review of the situation. This response is only suitable for low risk conflicts of interest.

3. Failure to disclose a conflict of interest

- 3.1 Employees have an obligation to disclose and manage conflicts of interest. Failing to comply with the provision of this policy, including refusal to take any reasonable action as directed, to resolve a conflict of interest may constitute misconduct or serious misconduct, which may result in disciplinary action or in the case of serious misconduct, termination of employment.

4. Review

- 4.1 The policy will be reviewed every three years for adequacy and effectiveness by the Director Audit and Risk Management or earlier if the situation warrants due to change in legislation or any other significant development.

Performance Indicators:

There are no performance indicators.

Related Documents:

[Staff Code of Conduct](#)

[Responsible Conduct of Research Policy](#)

[Statute No. 18 - Intellectual Property](#)

[Fraud, Corruption and Misconduct Policy](#)

[Public Interest Disclosure Act 2003](#)

[Public Interest Disclosure Policy](#)

[Public Interest Disclosure Procedure](#)

[Procurement Policy](#)

[Procurement Procedure](#)

[Staff Recruitment Policy](#)

[Staff Recruitment Procedure](#)

References:

There are no references.

Supporting Resources

<https://goto.murdoch.edu.au/ConflictOfInterest>

Approval and Implementation:

Approval Authority:	Senate
Responsible Officer(s):	Director Audit and Risk Management
Approval Authority for supporting procedures:	Director Audit and Risk Management The Director Audit and Risk Management may add procedures or internal process documentation as required.
Approval Authority for supporting guidelines:	There are no supporting guidelines.
Approval Authority for supporting standards:	There are no supporting standards.
Contact Officer:	Director Audit and Risk Management

Revision History:

Approved/ Amended/ Rescinded	Date Approved	Effective Date	Next Review Date	Resolution No. (if applicable)
Approved	22/07/2020		22/07/2023	S/21/2020
Recommended by ARC	03/07/2020			ARC/12/2020
Administrative amendment	14/09/2018		29/01/2018	
Administrative amendment	25/08/2016		29/01/2018	
Approved	29/01/2015		29/01/2018	S/05/2015
Recommended by ARC	04/12/2014			ARC/15/2014