

Board Conflict of Interest Policy

Policy number	TP003	Version	2.0
Drafted by	Ninos Hozaya	Approved by Board on	10/03/2024
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1. Purpose

- 1.1. Tawasul Foundation Incorporated ("the Association") is committed to high standards of governance, transparency, and ethical conduct. In accordance with Rule 2 of our Constitution, our primary purpose is to relieve the distress, helplessness, suffering, and misfortune experienced by refugees, newcomers, and CALD communities in Australia.
- 1.2. This policy ensures that decision-makers act strictly in the best interests of the Association, preventing personal, financial, or external interests from improperly influencing decisions.
- 1.3. This policy complies with Rule 65 of the Constitution, Section 56 of the Associations Incorporation Reform Act 2012 (Vic), and ACNC Governance Standard 5.

2. Who This Applies To

This policy applies to:

- All Board members
- Employees (full-time, part-time, and casual)
- Contractors and consultants
- Volunteers in positions of responsibility

- Anyone making decisions on behalf of Tawasul Foundation

3. Statutory Duties and Conflict Types

3.1. Board Member Statutory Duties (Rule 45)

In accordance with Rule 45 of the Constitution and Victorian law:

- 3.1.1. Board members must perform their duties in good faith and in the best interests of the Association.
- 3.1.2. Board members must not make improper use of their position or information obtained through their position to gain an advantage for themselves or any other person, or to cause detriment to the Association.

3.2. What Is a Conflict of Interest?

A conflict of interest arises when a person's personal, financial, or relationship interests conflict or appear to conflict with their duty to act in the best interests of Tawasul Foundation Inc.

- 3.2.1. Real Conflict: An actual conflict exists between personal interests and organizational duty.
- 3.2.2. Perceived Conflict: A reasonable third party could perceive that personal interests could influence a decision, even if no bias exists.
- 3.2.3. Potential Conflict: A situation that may develop into a real conflict in the future.

3.3. Financial & Personal Conflicts

- 3.3.1. Financial Conflicts: Where a person or their family member stands to gain financially from an Association decision (e.g., procurement of services, employment contracts, grant distribution).
- 3.3.2. Personal / Relationship Conflicts: Where personal friendships, family relationships, or dual roles on another organisation's board could compromise objective decision-making.

3.4. Gifts and Hospitality

3.4.1. Gifts of token value (under \$50 AUD) may be accepted without formal declaration.

3.4.2. Gifts valued above \$50 AUD must be declared to the Secretary and recorded in the Conflict of Interest Register.

3.4.3. Gifts of cash or cash equivalents are strictly prohibited.

4. Constitutional Procedure For Disclosure (Rule 65)

4.1. Timing of Declaration

4.1.1. In accordance with Rule 65(1) of the Constitution, a Board member or committee member who has a material personal interest in a matter being considered at a Board meeting must disclose the nature and extent of that interest to the Board as soon as they become aware of it.

4.1.2. Declarations must be made:

4.1.2.1. Prior to appointment or employment via the Conflict of Interest Declaration Form;

4.1.2.2. As a standing item at the start of every Board meeting;

4.1.2.3. Immediately whenever a new potential conflict arises.

4.2. Mandatory Recusal Procedure (Rule 65(2))

Pursuant to Rule 65(2) of the Constitution, any Board member who has a material personal interest in a matter being considered at a Board meeting:

4.2.1. **MUST NOT BE PRESENT** while the matter is being considered at the meeting; and

4.2.2. **MUST NOT VOTE** on the matter.

Note: In accordance with Rule 65(3), this recusal requirement does not apply to an interest that exists only because the member belongs to a class of persons for whose benefit the Association is established (e.g., general beneficiary services consistent with Rule 2).

5. Managing a Conflict of Interest

5.1. Meeting Minutes

Every declared conflict of interest, along with the member's departure, abstention from voting, and return time, must be formally recorded in the minutes of the meeting pursuant to Rule 65(1).

5.2. Conflict of Interest Register

In accordance with Rule 47 (Duties of Secretary) and Rule 75 (Custody of Books):

5.2.1. The Secretary maintains the master Conflict of Interest Register.

5.2.2. The Register records the declarant's name, role, nature of interest, date declared, and management action taken.

5.2.3. The Board reviews the Register annually.

6. Handling Unintended Omissions & Policy Breaches

We recognise that in a small, close-knit organisation, genuine oversights or misunderstandings about conflicts of interest can occur. Our priority is to foster an open, supportive culture focused on education and transparency rather than penalty.

6.1. Accidental or Unintentional Omissions: If a person unintentionally fails to declare an interest or participates in a discussion by oversight, the matter will be addressed constructively through an informal conversation with the President or Secretary. The register will be updated, and guidance will be provided to avoid similar issues in the future.

6.2. Proportionate Response: Where a breach is significant or repeated, Tawasul Foundation Inc. will address it fairly and proportionately based on the individual's role:

6.2.1. Staff & Contractors: Handled collaboratively through internal support, coaching, or workplace discussion, with formal warnings or contractual reviews reserved only for serious, unaddressed matters.

6.2.2. Members & Board Members: Addressed informally in the first instance. If a serious matter cannot be resolved informally, the procedures outlined in Part 3, Division 2 (Rules 19–24) of the Constitution provide a fair framework to guide the process.

7. Responsibilities

- 7.1. The Board: Models ethical behaviour, ensures annual policy reviews, and enforces recusal rules.
- 7.2. The President (Rule 46): Ensures conflict disclosures are called for as a standing agenda item at all meetings.
- 7.3. The Secretary (Rule 47): Maintains the master Conflict of Interest Register and ensures full recording in minutes.
- 7.4. All Personnel: Actively identify, declare, and manage actual, perceived, or potential conflicts.

Appendix A — Conflict of Interest Register

Name	Role	Nature of Interest	Date Declared	Action Taken

Add rows as required. The Secretary holds the master copy. Board members may request a copy at any time.

Appendix B — Conflict of Interest Declaration Form

To be completed by all Board members, staff, contractors, and volunteers in positions of responsibility

Full name: _____

Role / position: _____

Date: _____

Part A — Business and Financial Interests

Please list any business activities, directorships, shareholdings, or financial interests that could create a conflict of interest with your role at Tawasul Foundation:

Part B — Relationships

Please list any close personal or professional relationships with employees, volunteers, suppliers, or other people connected to Tawasul that could create a perceived conflict of interest:

Part C — Other Organisations

Please list any boards, committees, or organisations you are a member of that may have overlapping or competing interests with Tawasul Foundation:

Part D — Declaration

I confirm that the information above is accurate and complete to the best of my knowledge. I understand my obligation to update this declaration promptly if my circumstances change.

Signature: _____

Date: _____