



Conflict of Interest Management Procedure

Version 1.0 — Approved by the Management Committee

1. Purpose

This procedure ensures that all conflicts of interest within Magnetic Island Community Care Association Inc. (MI Care) are:

- identified early
- declared transparently
- managed appropriately
- recorded accurately
- resolved in accordance with the MI Care Constitution, the Associations Incorporation Act 1981 (Qld), and ACNC Governance Standards

The purpose is to protect MI Care's integrity, decision-making, reputation, and compliance obligations.

2. Scope

This procedure applies to:

- all Management Committee members
- all subcommittee members
- all volunteers
- any person participating in MI Care decision-making

It covers actual, potential, and perceived conflicts of interest.

3. Definitions

Conflict of Interest

A situation where a person's personal, financial, professional, or relational interests could influence, or be perceived to influence, their decision-making on behalf of MI Care.

Types of Conflicts

- Actual conflict — the conflict exists now.
- Potential conflict — the conflict may arise in the future.
- Perceived conflict — a reasonable person might believe a conflict exists, even if it does not.

Material Personal Interest

As defined in the Associations Incorporation Act 1981 (Qld), a committee member has a material personal interest if they stand to gain a benefit or suffer a detriment from a matter being considered.

4. Principles

MI Care's conflict of interest management is based on:

- Transparency — all conflicts must be declared.
- Integrity — decisions must be made in MI Care's best interests.
- Independence — conflicted individuals must step back from influencing outcomes.
- Documentation — all declarations and actions must be recorded.
- Consistency — the same rules apply to all committee members and volunteers.

5. Responsibilities

5.1 All Committee Members and Volunteers

- Must act in MI Care's best interests.
- Must declare conflicts immediately.
- Must comply with directions to step aside from discussions or decisions.
- Must not misuse their position for personal gain.

5.2 President

- Ensures conflicts are managed fairly and consistently.

- Ensures conflicted individuals leave the room (physically or electronically) during discussion and voting.
- Ensures the Secretary records all declarations and actions.

5.3 Secretary

- Maintains the Conflict of Interest Register.
- Records all declarations in meeting minutes.
- Ensures compliance with constitutional and legislative requirements.
- Files all Conflict of Interest Declaration Forms.

5.4 Management Committee

- Determines how each conflict will be managed.
- Ensures decisions are made without influence from conflicted individuals.
- Reviews and approves mitigation actions.

6. Conflict of Interest Management Workflow

6.1 Step 1 — Identify

A conflict may be identified by:

- the individual themselves
- another committee member
- a volunteer
- an external party

Conflicts may relate to:

- financial gain or loss
- family or personal relationships
- employment or business interests
- organisational affiliations
- gifts, benefits, or hospitality
- personal bias or loyalty
- previous involvement in a matter under discussion

6.2 Step 2 — Declare

The individual must:

- verbally declare the conflict at the meeting, and
- complete a Conflict of Interest Declaration Form (if required), and
- ensure the Secretary records the declaration in the minutes

Declarations must include:

- the nature of the conflict
- whether it is actual, potential, or perceived
- any relevant relationships or interests

6.3 Step 3 — Record

The Secretary must:

- enter the conflict into the Conflict of Interest Register
- record the declaration in the meeting minutes
- file the declaration form (if used)

Minutes must clearly state:

- who declared the conflict
- the nature of the conflict
- the Committee's decision on how it will be managed
- when the conflicted person left and returned to the meeting

6.4 Step 4 — Manage

The Committee must determine the appropriate management action.

Options include:

a) No action required

Used only when the conflict is minimal or irrelevant.

b) Restrict involvement

The individual may remain but must not contribute to discussion.

c) Remove from discussion

The individual must leave the room (or electronic meeting) during discussion.

d) Remove from decision-making

The individual must not vote.

e) Remove from both discussion and decision-making

This is the default for material personal interests.

f) Reassign responsibilities

Tasks or roles may be transferred to another committee member.

g) External advice

Used for complex or high-risk conflicts.

h) Resignation

Required only in extreme cases where the conflict cannot be managed.

6.5 Step 5 — Exclusion from Meeting

Where a conflict is material or significant:

- the conflicted person must leave the room
- the Secretary records the time they left
- discussion and voting occur without them
- the Secretary records the time they return

This is required under the Associations Incorporation Act.

6.6 Step 6 — Decision and Documentation

The Committee:

- makes a decision free from influence
- records the decision and rationale
- ensures the conflicted person does not participate

The Secretary:

- updates the Conflict of Interest Register
- files all documentation
- ensures compliance with the Constitution and legislation

7. Standing Conflicts

Some conflicts are ongoing (e.g., employment, family relationships, business ownership).

These must be:

- declared annually
- recorded as “standing conflicts”
- reviewed at each meeting where relevant matters arise

8. Gifts, Benefits and Hospitality

Any gift, benefit, or hospitality that could influence decision-making must be declared.

MI Care prohibits:

- accepting gifts that create a real or perceived obligation
- accepting cash gifts
- accepting benefits from suppliers, contractors, or applicants

All gifts must be recorded in the Conflict of Interest Register.

9. Confidentiality

All conflict declarations are confidential and must be handled respectfully.

Minutes must record:

- the fact of the conflict
- the management action

but not sensitive personal details.

10. Breaches of this Procedure

Failure to declare or manage a conflict may result in:

- disciplinary action
- removal from the Management Committee
- referral to regulatory authorities (ACNC, OFT Qld)

- reputational damage to MI Care

Breaches must be reported to the President and recorded in the Risk Register.

11. Conflict of Interest Register

The Secretary maintains a secure register including:

- name of person
- date of declaration
- nature of conflict
- type (actual, potential, perceived)
- management action
- date resolved or reviewed

The register is accessible only to the President, Secretary, and Committee.

12. Review

This procedure must be reviewed:

- annually, or
- when legislation changes, or
- when the Constitution is amended

The Management Committee approves all updates.