

# CONFLICT OF INTEREST PROCEDURE

## SCOPE

This procedure applies to all Monash University staff including joint, adjunct and honorary appointees herein collectively referred to as 'you' for the purpose of this procedure.

Students are also expected to report Staff/Student relationships which are referenced within this procedure.

## PROCEDURE STATEMENT

This procedure outlines the principles applying to perceived, potential and actual conflicts of interest as well as ensuring conflicts of interest are managed appropriately.

Monash University ('us', 'our' or 'we') is committed to ethical practices and standards. This includes acknowledging responsibility for decisions and actions, as individuals and as an organisation, exercising power responsibly and acting with transparency, integrity and professionalism.

This procedure assists staff to engage with ethical questions of conflict of interest as they arise and to be conscious of the impacts of decisions with respect to any perceived, potential or actual conflict of interest.

Our [Ethics Statement](#) outlines our commitment to assisting staff to identify and resolve ethical issues and to build and maintain a sound ethical culture.

### 1. Staff obligations

- 1.1 You must act with integrity and demonstrate ethical behaviour in accordance with our [Ethics Statement](#) and our other [policies and procedures](#) when faced with the potential of a clash between your private interests and our interests and where this may raise ethical or legal issues.
- 1.2 You must be transparent about any perceived, potential or actual conflict of interest ensuring declarations are made at an early stage and/or seek advice from our [Ethical Conduct Manager](#) when doubt exists.

### 2. Categories of conflicts of interest

Potential	A potential conflict of interest arises where a staff member has an interest or obligation, whether personal or involving a third party, that has the capacity to develop a conflict with the staff member's duties/responsibilities with us. <i>For example:</i> A staff member has a pre-existing personal relationship with a student of the University.
Perceived	A perceived conflict exists where it could reasonably be perceived, or give the appearance, that a competing interest could improperly influence the work related decisions/activities of a staff member. <i>For example:</i> A staff member has an interest in a business that sponsors research undertaken with us.
Actual	An actual conflict involves a direct or real conflict between a staff member's duties and responsibilities to the University and a competing interest or obligation, whether personal or involving a third party. <i>For example:</i> A staff member assesses a tender submitted by a business in which the staff member has a financial interest.

### 3. Areas of conflicts of interest

#### Commercial (incl directorships and shareholdings)

3.1 Where you hold an interest in a directorship, shares, or have a personal connection with a company, you should:

- remove yourself from the conflict; and
- ensure appropriate controls are in place to manage the conflict; and/or
- disclose the conflict prior to any business activity taking place.

#### Employment matters

3.2 You should not take any direct part in any of the below activities where a personal relationship exists with the person concerned unless otherwise authorised to do so under a conflict of interest management plan:

- the recruitment and appointment of a staff member;
- the supervision of a staff member;
- the supervision, teaching or assessment of a student;
- assessment of academic promotion and study leave applications etc.

#### Financial

3.3 All decisions which have a financial impact on us must be made with integrity and in accordance with our [Ethics Statement](#).

3.4 A financial conflict of interest may arise:

- If you have budgetary responsibilities and also have a personal interest in an activity that is to be funded out of your unit.
- As a researcher, you have financial involvement with an external company that funds part of the research you are undertaking.
- When you are involved in financial and non-financial decisions about equipment, facilities license agreements etc on our behalf.

3.5 Refer to the [Finance policies and procedures](#) for further information.

#### Gifts, benefits and hospitality

3.6 Staff must not receive any gift, benefit or hospitality that could reasonably be interpreted by others as a real, perceived or potential conflict of interest. The acceptance of gifts is dealt with in more detail in the [Gifts, Benefits and Hospitality procedure](#).

#### Paid outside work

3.7 All paid outside work must comply with the [Paid Outside Work procedure](#).

3.8 In accordance with the procedure, you must disclose any perceived, potential or actual conflict of interest or conflict of commitment arising from an engagement or activity you have or may have outside the University and devise a conflict management plan in consultation with your head of unit to resolve or manage the conflict.

#### Staff/student personal relationships

3.9 We will not tolerate coerced and exploitive relationships; these must not occur. You must declare any new or existing intimate or close personal relationship, which may give rise to any perceived, potential or actual conflict of interest. Once declared, a conflict of interest management plan is to be made, which must include no dealings between the participants on academic or other University matters.

3.10 Personal relationships between staff and students must not afford an undue advantage or disadvantage because of the existence of such personal relationship (either intimate relationships or close personal relationships).

3.11 You must conduct yourself professionally and appropriately in your dealings connected with us. Our [Ethics Statement](#) states that we will "treat each other with honesty, fairness, mutual respect and be responsible in the exercise of power".

3.12 Where you are unclear or in breach of maintaining professional boundaries or a personal relationship exists, you must disclose the relationship in accordance with this procedure.

3.13 If you are an academic staff member, you must not teach, supervise or assess the work of a student with whom you have a personal relationship. For information about the potential for conflict of interest in the [supervision of masters and doctoral students](#) and to comply with the specific prohibitions, refer to [the Handbook for Doctoral Degrees](#).

3.14 Refer to the [Staff/Student Personal Relationships procedure](#) for further information.

## Procurement matters

- 3.15 We acknowledge that perceived, potential and actual conflicts of interest may arise during procurement processes. Therefore, anyone involved in procurement activities on our behalf must also comply with our [Finance policies and procedures](#).
- 3.16 We must ensure that the procurement of all goods and services is conducted in an honest, competitive, fair and transparent manner that delivers the best value for money outcome whilst at the same time protecting our reputation. We acknowledge that conflicts of interest may arise during procurement processes however we expect you to act with integrity making ethical decisions at all times.
- 3.17 Refer to the [Procurement Policy](#) for further information.

## Research

- 3.18 Our research activities must be conducted to the highest ethical standard by incorporating ethical reviews of all research activities involving human or animal subjects conducted. By subjecting research to appropriate review, we will ensure compliance with current ethical guidelines and legislative frameworks as they apply to research.
- 3.19 Researchers have additional responsibilities under the [Australian Code for the Responsible Conduct of Research](#) (the Code), the National Health and Medical Research Council (NHMRC), the [Guidelines for NIH/PHS financial conflict of interest compliance](#).
- 3.20 Researchers in the areas of biomedical and clinical research should not receive any direct benefit and must disclose any indirect benefit from the outcome of clinical trials.
- 3.21 Commercialisation of research is increasingly important to us and it is recognised that substantial benefits can arise from collaborations and relationships with industry in the licensing and marketing of research discoveries, including through the creation of a spin-off company. These activities may also be a source of potential conflicts of interest which need to be appropriately managed.
- 3.22 Refer to the [Research related policies and procedures](#) for further information.

## Examples of conflicts of interest

- 3.23 Further guidance on the types of activities that might be perceived, potential or actual conflicts of interest are available at [Examples of Conflicts of Interest and Guidelines for Action](#).

## 4. Declaring conflicts of interest

Staff (incl joint appointments and adjunct/honorary appointees)

Step 1	<b>Complete the <a href="#">Conflict of Interest Disclosure &amp; Management Form</a> ('the form')</b> This form includes details about the conflict and the proposed management plan.
Step 2	<b>The Head of Unit reviews the form</b> The Head of Unit completes the relevant section and either confirms or amends, after discussion with the staff member, the conflict of interest management plan. The relevant HR Business Partner can provide advice where required.
Step 3	<b>The Dean/Executive Director reviews the form</b> The Dean or Executive Director will review and, once satisfied, endorse the management plan. The form is then forwarded to Monash HR via <a href="mailto:hr@monash.edu">hr@monash.edu</a> or to the Monash research Office via <a href="mailto:managerresearchethics@monash.edu">managerresearchethics@monash.edu</a> (for conflicts of interest in research).
Step 4	<b>The Conflict of Interest Advisory Officer (CIAO) considers and approves</b> The CIAO, Chief Human Resources Officer or the Vice-Provost (Research) (for conflicts of interest in research), will review the plan and provide any further direction on how the conflict of interest should be managed and approve where appropriate.

## Committee Members

- 4.1 Members of a committee who advise the Vice-Chancellor (including the Vice-Chancellor's Executive Committee (VCEC), the Senior Management Team (SMT), or the Major Initiatives Implementation and Oversight (MIIO) committees, a portfolio lead or a dean or executive director and have a conflict of interest, must disclose it in accordance with this procedure to the Chief Operating Officer and Senior Vice-President.

## Chief Operating Officer or Senior Vice-President

- 4.2 The Chief Operating Officer or Senior Vice-President must disclose, in writing, any such conflict to the Vice-Chancellor.

## President, Academic Board or the Vice-Chancellor

- 4.3 The President, Academic Board or the Vice-Chancellor must disclose, in writing, any such conflict to the Chancellor.

## 5. Annual declaration process

- 5.1 We administer an annual declaration process for particular issues that may give rise to actual or perceived conflicts of interest. This process includes the annual declaration of private interests, student admissions and personal relationships.

### Private Interests

- 5.2 In order for us to ensure that we are managing our business in a fair, ethical and transparent manner, free of bias and in accordance with legislative requirements under the Financial Management Act 1994, the following will apply in respect of the disclosure of pecuniary or other private interests or benefits.
- 5.3 An annual request is sent via email in approximately July/August each year to staff holding a University financial delegation in excess of \$50,000. Staff must complete and submit a [Declaration of Private Interests](#) form in accordance with the email each year.
- 5.4 The performance development supervisor should review this annually as part of the performance development discussion unless otherwise required at another time.
- 5.5 If you hold a University financial delegation in excess of \$50,000 and fail to disclose all private interests, you may face disciplinary action.

### Student Admissions

- 5.6 If you have a relationship with an individual who is seeking admission to the University, you are required to declare this relationship if you are:
- a selection officer;
  - a member of the Senior Management Team; and
  - a Faculty/General Manager.
- 5.7 You can make this declaration at any time by completing the [Declaration Regarding Student Admissions form](#).

## 6. Whistleblowing

- 6.1 The University does not tolerate fraud, corruption, misconduct, criminal or improper conduct. A person who makes a report of this type of conduct may be considered to have made a whistleblower disclosure and be protected in accordance with the law. The University supports the making of whistleblower disclosures which can be made under Commonwealth or Victorian law.
- 6.2 The University will provide appropriate support to persons who make a whistleblower disclosure about or involving the University, and to other persons involved in the whistleblower disclosure process, and will in all respects comply with its legal obligations.
- 6.3 Further information for anyone considering making a whistleblower disclosure in relation to the University can be found on the [Whistleblower website](#), [Whistleblower Policy](#) and [Whistleblower Procedure](#).

## 7. Privacy

- 7.1 Information arising from conflict of interest declarations are managed in accordance with our [Privacy procedures](#).

## 8. Breach of procedure

- 8.1 We treat any breach of our policies or procedures seriously. This includes failure to disclose a conflict of interest. We encourage reporting of concerns about non-compliance and manage compliance in accordance with the applicable Enterprise Agreement or contract terms.
- 8.2 Failure of researchers to comply with this procedure may also result in loss of funding for the University.

## DEFINITIONS

Adjunct appointee	A person who is not a staff member but who is appointed to contribute their professional standing and specialist expertise to the teaching and/or research activities of a particular department or research centre in the University. Adjunct appointees can be teaching and research or research-only adjunct appointees.
Close personal relationship	A relationship between a staff member and a relative, a financially dependent person, a close friend, a de facto partner or any person with whom there is currently, or has been, an intimate relationship. This does not include a working relationship which exists due to ordinary collegiate academic collaboration, where the colleagues are not relatives, financially dependent, or de facto or intimate partners.
Conflict of commitment	This occurs when one interest of a staff member, which may or may not be a private interest or non-University interest, may harm or interfere with the productivity or involvement of that staff member in aspects of their University responsibilities. It may concern the staff member's distribution of efforts between employment obligations to the University and to outside activities. Conflicts of commitment can occur in research where the staff member's non-University activities harm or interfere with the staff member's research obligations.
Conflict of interest	The term 'conflict of interest' refers to a situation where a conflict arises for an individual between two competing interests, which are often, but not exclusively, interests of public duty versus private interests. Conflicts of interest may be reasonably perceived, potential or actual. Conflicts of interest can involve financial or non-financial interests of the staff member and the interests of a business partner or associate, family member, friend or person in, or has had a close personal relationship with the staff member.
Conflict of interest advisory officer (CIAO)	For the purpose of this procedure, the Chief Human Resources Officer (or in the case of Sunway Campus Malaysia, Registrar) acts as a CIAO for all instances of general conflicts of interest and the Vice-Provost (Research) (or in the case of Sunway Campus Malaysia, Vice-President (Research & Development)) acts as the CIAO for conflicts of interest in research. The CIAOs provide advice and assistance in the resolution of potential conflicts of interest that are unable to be resolved between the relevant parties.
Conflict of interest in research	This includes an actual, perceived or potential conflict of interest which may compromise, or have the appearance of compromising, a person's ethical behaviour and professional judgment in the conduct and reporting of that research. It is critical that such conflicts are appropriately managed as they can compromise the validity and integrity of the research process and undermine public confidence in the institution.
Financial interest	Any employment, business activity or other right, claim, title or legal share in something that has a monetary, or equivalent value. Examples of financial interest include, but are not limited to, distributions from trusts, directorships of trusts, significant shareholding (more than 5% of issued capital) in a public or private company, shares, share options, dividends, and the right to receive remuneration or other benefits such as salaries, fees from company directorship or board membership, consulting fees, allowances and discounts. For the purpose of this procedure, this includes any substantial sources of income (more than \$10,000 per annum) other than from paid employment with the University.
Joint appointee	Means a staff member, usually in the Faculty of Medicine, Nursing and Health Sciences who is also engaged in clinical practice in a hospital, and who is employed and wholly paid by the hospital on hospital employment conditions, but by virtue of their engagement/appointment with Monash has the status of a member of academic staff member of the University. A staff member who receives any remuneration from the University is not a conjoint appointee or clinical academic staff member engaged by hospitals, as defined.
Non-financial interest	Any community or other voluntary activity or involvement including with a sporting club, church, political party or other formal or informal association or group including voluntary directorships/board memberships for which the staff member receives no monetary benefit.
Paid outside work	Remunerated work or a professional development activity that a staff member undertakes for an external party which is outside their normal university duties and may create a conflict of commitment and in certain circumstances an actual, perceived or potential conflict of interest.
Staff/Student personal relationship	A relationship between a staff member and a prospective or current student of Monash University, which can be either close or personal (as per the <a href="#">Staff/Student Personal Relationships procedure</a> ).

## GOVERNANCE

Parent policy	<a href="#">Integrity and respect</a>
Supporting schedules	
Associated procedures	<ul style="list-style-type: none"> <li>• <a href="#">Gifts, Benefits and Hospitality</a></li> <li>• <a href="#">Fraud and Corruption: Control</a></li> <li>• <a href="#">Fraud and Corruption: Reporting</a></li> <li>• <a href="#">Paid Outside Work</a></li> <li>• <a href="#">Procedures for dealing with allegations of research misconduct</a></li> <li>• <a href="#">Staff/Student Personal Relationships</a></li> </ul> <p><i>Procedure forms</i></p> <ul style="list-style-type: none"> <li>• <a href="#">Conflict of Interest Disclosure and Management form</a></li> <li>• <a href="#">Private Paid Outside Work Disclosure &amp; Approval form</a></li> </ul>
Legislation mandating compliance	<ul style="list-style-type: none"> <li>• <a href="#">Financial Management Act 1994 (FMA)</a></li> </ul>
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