

RCNF Conflict of Interest Policy for ISC, PAP and FMA

The Conflict of Interest (COI) Policy is a key element to the governance and activities of the Robert Carr civil society Networks Fund. It applies to the activities and relationships of the International Steering Committee (ISC), the Program Advisory Panel (PAP) and the staff of the Fund Management Agent (FMA) of the Robert Carr civil society Networks Fund (RCNF).

Questions about the policy should be directed to the Fund Management Agent (FMA), Aids Fonds. It is the duty (and form part of the ToRs) of all ISC members, PAP members and FMA staff to be aware of this policy. All have a duty to disclose the existence of any actual or potential conflict of interest, including those that derive from associated persons or institutions, and the nature of such conflict, whenever he or she becomes aware that a conflict exists or that a conflict is reasonably likely to occur or that there is the appearance of a conflict.

COI and situations that may result in the appearance of a conflict or potential conflict must be disclosed to (i) the Chair of the ISC or (ii) the Chair of the PAP or (iii) the FMA, as appropriate. It is the role of the Chairs (ISC and PAP) or the management of the FMA, to act upon these signals and if necessary sanction members in the event that there is evidence of COI that is knowingly undeclared. Possible sanctions may include dismissal from the ISC or PAP. If a breach of the COI policy has impact on grant selection, it is the duty of the ISC to instruct a review on whether the particular grant selection was appropriate.

The present policy provides guidelines for identifying conflicts, disclosing conflicts and procedures to be followed to assist RCNF to manage conflicts of interest and situations that may result in the appearance of a conflict.

1. What is a conflict of interest?

A conflict of interest arises when an ISC or PAP member or someone of the FMA staff has a personal interest that conflicts with the interests of the RCNF or in situations where an ISC/PAP member or someone of the FMA staff has divided loyalties (also known as a “duality of interest”). The former can lead to situations that result in inappropriate¹ financial gain to ISC or PAP members or FMA staff, which can lead to financial penalties and violations of tax regulations. Similarly, situations or transactions arising out of a conflict of interest can result in either inappropriate financial gain or the appearance of a lack of integrity in the RCNFs decision-making process. Both results are damaging to the RCNF and are to be avoided.

Generally, a conflict of interest may occur if an endeavour or activity influences or appears to influence the ability of an individual to exercise objectivity or impairs the individual's ability to perform his or her employment responsibilities in the best interests of the RCNF.

An individual is considered to have a potential conflict of interest when:

- He or she or any family member² receives a financial or other significant benefit as a result of the individual's position at the foundation;
- The individual has the opportunity to influence the RCNF's granting, business, administrative, or other material decisions in a manner that leads to personal gain or advantage; or
- The individual has an existing or potential financial or other significant interest which impairs or might appear to impair the individual's judgment in carrying out their responsibilities to the RCNF.

¹ While it may sometimes be difficult to judge the inappropriateness of financial gain, it is important to also consider the appearance of inappropriateness.

² For purposes of the Conflict of Interest Policy, the term "family member" means any spouse, domestic partner, parents, siblings, children, any other relative who resides in the same household and any other familial relationship that could create the appearance of a conflict.

1.1 Examples of Conflict of interest activities and relationships

The following activities illustrate types of potential or actual conflicts of interest that should be avoided and disclosed, as applicable, in accordance with this policy. The list is not all inclusive and is intended only to provide guidance.

- *Self-benefit*: Using your position or relationship within the Fund to promote your own interests or those of your family, including use of confidential or privileged information acquired in the course of employment at the Fund for benefit or gain of yourself or your family members.
- *Influence peddling*: Soliciting benefits for yourself or your family from outside organizations in exchange for using your influence to advance the interests of that organization within the Fund.
- *Other business relationships and dealings*: Approving grants with organizations in which you or your family have a significant financial or other interest or relationship, particularly if you are in a position to influence major decisions, are responsible for review, negotiation and approval of the grants, or otherwise direct the Fund's business dealings with that business or entity.
- *Use of the Funds property for personal advantage*: Using or taking Funds resources, including facilities, equipment, personnel, and supplies, for private use or other unauthorized activities which are not related to the Fund.
- *Outside commitments*: Participating in social or political activities is not restricted as long as you participate as an individual and not as a representative of the Fund.
- *Recording or reporting false information*: Misrepresenting, withholding, or falsifying relevant information required to be reported to external parties or used internally for decision-making purposes, in order to derive personal benefits.
- *Dealings with grantees*: Personally accepting anything of value from organizations or individuals that have grant proposals pending for the fund or have received grants from the fund.

2. Who are affected by this policy?

Typically persons who are affected by a conflict of interest policy are the Fund's ISC members, PAP members and the FMA staff. The RCNF takes a broad view of conflicts, in the sense that ISC, PAP and FMA staff members are required to think of how a situation/transaction would appear to outside parties when identifying conflicts or possible conflicts of interest.

3. Disclosure of Conflicts

ISC and PAP members and FMA staff will annually disclose and promptly update in writing any disclosures previously made on an Annual Conflict Disclosure Questionnaire form if circumstances change which would change their COI provided by the FMA, that requests them to identify their interests that could give rise to conflicts of interest, such as a list of family members, substantial business or investment holdings, and other transactions or affiliations with businesses and other organizations or those of family members as well as networks applying for funding, grantees or other non-profit organizations or those of family members.

ISC and PAP members and FMA staff are also to disclose conflicts as they arise as well as to disclose those situations that are evolving that may result in a conflict of interest. Disclosure must occur in writing, in advance so that a determination may be made as to the appropriate plan of action to manage the conflict. Disclosure must occur as soon as the person having the conflict is aware of the conflict/potential conflict or appearance of a conflict. If members of the ISC, PAP or FMA staff identify a (potential) conflict of interest for others, they must inform the Chairs of the ISC or PAP, or the FMA, in writing.

As in addition to the PAP review is required, independent reviewers will also be required to disclose conflicts of interest (e.g. where they are associated with a grant application) to the FMA when they are approached for one or more proposal reviews. Reviewers with a conflict of interest will not be asked to review that proposal. Besides assessing the quality of a proposal, the PAP will assess the quality of the independent review reports as well as possible conflicts of interest the reviewers might have.

4. Procedures to manage conflicts

For each interest disclosed, the Chair of the ISC, the Chair of the PAP, or the management of the FMA, as appropriate, will determine whether the Fund should: (a) take no action or (b) disclose the situation to the full ISC, PAP and FMA and invite discussion/resolution by the full ISC and the Chair of the PAP of what action to take. The broadest disclosure (to the full ISC, PAP and FMA) possible is advisable so that decision-makers can make informed decisions that are in the best interests of the Fund.

- When the conflict involves a PAP or ISC member, the person with the conflict (“interested party”): (i) must fully disclose the conflict to the Chair of the ISC or the PAP; (ii) may not be involved in the decision by the full ISC or PAP of what action to take (e.g., may not participate in discussions or a vote) but if requested may serve as a resource to provide other members with needed information.
- The person with the conflict may be asked to recuse him/herself from discussions so as not to unduly influence the discussion of the conflict.
- Members of the ISC and the PAP will recuse themselves from discussion and decision making, should there be any conflicts of interest (e.g. where they are associated with a grant application). Members with a COI are allowed to vote in the final funding decision. A majority of disinterested members (whenever possible) should approve the final funding decision.
- In all cases, PAP decisions involving a conflict will be made only by members without a COI (e.g. “disinterested members”). Only disinterested members will perform PAP discussion and review of eligible proposals.
- Minutes of ISC and PAP meetings will reflect when a member discloses that s/he has a conflict of interests and how the conflict was managed, such as that there was a discussion on the matter without the member in the room, and that a vote was taken but that the interested member abstained.
- The FMA will monitor proposed or on-going transactions of the Fund (e.g., contracts with grantees, donors and collaborations with third parties) for conflicts of interest and disclose them to the ISC and PAP, as appropriate, whether discovered before or after the transaction has occurred.

5. Dissemination and Review of Policy

The FMA shall provide any and new ISC and PAP Members and FMA staff with a copy of this policy along with an Annual Conflict Disclosure Questionnaire. This policy will be reviewed annually.