

Declaration and Disclosure of Pecuniary or Other Personal Interests

Conflict of Interest

It would be difficult to define all the situations that would call for such a declaration or disclosure, since each individual case differs and unforeseen circumstances arise. Nevertheless, some potential situations of conflict of interest are described below :

- a directorship, partnership, advisory or client relationship, employment or other significant connection with a company, firm, club, association, union or other organization which is connected with a matter under consideration by the IMC;
- pecuniary interests in a matter under consideration by the IMC held either by the manager, his/her family or close relatives;
- some friendships which might be so close as to warrant declaration in order to avoid situations where an objective observer might believe that a manager's advice might have been influenced by the closeness of the association; and
- any interest likely to lead an objective observer to believe that the manager's advice might have been motivated by personal interest rather than a duty to give impartial advice (such as acceptance of free service, entertainment, gifts or other favours).

Examples of Conflict of Interest in Schools

Conflict of interest is a situation in which a school manager's private interests interfere with the proper discharge of his/her duties in the school. Managers should put the interests of students before all other interests in the course of carrying out their duties. Conflict of interest may arise in cases where they exercise authority, influence decisions and actions, or gain access to confidential information. In a school, conflict of interest may arise in the following cases, which are by no means exhaustive:

- admission of students;
- staff appointment and promotion;
- complaints and disciplinary actions against staff and students;
- selection of textbooks, sale of exercise books and other school accessories;
- supply of school uniforms;

- provision of school bus service;
- approval of tuckshop operation;
- provision of catering service e.g. lunch boxes; and
- purchase of furniture and equipment e.g. award of tenders.

The Independent Commission Against Corruption (ICAC) has produced a guidebook ‘The Integrity Management for Schools – A Practical Guidebook for School Staff’ which explains corruption loopholes through case studies and recommends to school management the principles of formulating corruption prevention measures. The contents cover acceptance of advantages and donations, conflict of interest, tendering and procurement, and accounts management. The guidebook is available on the ICAC homepage (http://www.icac.org.hk/en/services_and_resources/p/es/index.html).

A Two-pronged Approach to Declaration of Conflict of Interest

On taking up office, school managers should declare in writing to the IMC any pecuniary or other personal interests that may conflict with their managerial duties. A two-pronged approach shall be adopted :

- A manager shall make declaration of interest to the IMC, who will keep a register for recording the declared interests of individual managers.
- A manager shall make a disclosure of interest should the discussion of specific agenda items at the meetings of the IMC appears to directly or indirectly conflict with his/her personal interest. (According to Education Ordinance S40BH, the public can inspect the register of disclosures at any reasonable time).

A manager of a school shall, at least once in every 12 months, make to the IMC of the school a written declaration of pecuniary or other personal interests (even if he/she has no such interest). Within one month after a change occurs in any matter stated in the declaration, the manager shall make to the IMC another written declaration which states the change. If managers are in doubt as to whether a declaration is warranted, they may seek the advice of the supervisor of the IMC.

When a known direct pecuniary interest exists, the supervisor of the IMC may withhold circulation of relevant papers to the managers concerned. Where a manager is in direct receipt of a paper for discussion that he/she knows presents a direct conflict of interest, he/she should immediately inform the secretary and return the paper.