CONFlict of INTERest POLICY

Policy Number: A-3
Adopted: May 15, 2010

PURPOSE:

This policy provides for the definition, disclosure, and handling of potential conflicts of interest in conducting the business of the Diocese.

CANONICAL REFERENCES:

Constitution and Canons for the Government of the Episcopal Church: Title I, Canon 7: Of Business Methods in Church Affairs. The Canons of the Episcopal Church set forth the general responsibility and accountability for the stewardship of the Church’s money and property. Title I, Canon 7 specifically addresses the business methods prescribed for every diocese, parish, mission, and institution subject to the authority of the Episcopal Church. The Manual of Business Methods in Church Affairs identifies requirements and seeks to provide helpful advice on sound, practical internal controls, accounting guidelines and business practices. There are several references to conflict of interest.

EDFW Constitution, Article 11 – The Executive Council. There shall be an Executive Council, established by the Canons, which shall exercise all the powers of the Convention between meetings thereof, implementing the directives and policies of that body, initiating and developing new work, but not acting in conflict with the expressed will of the Convention.

POLICY:

1. Applicability.

The following statement of policy relating to potential conflicts of interest shall apply to each member of the Standing Committee, the Corporation Board, Executive Council and to all officers, employees, and department/committee members of the Diocese. Each person to whom this statement of policy applies is hereafter referred to as a “diocesan representative”.

2. Definitions.

2.1. A potential conflict of interest means a contract, transaction, or situation that involves a personal, family or business relationship between a diocesan representative and the Diocese that could cause the Diocese to be subject to criticism, embarrassment or the risk of litigation on the part of a diocesan representative. The following circumstances shall be considered conflicts of interest:
2.1.1. A contract or transaction between the Diocese and a diocesan representative or family member.

2.1.2. A contract, transaction, or situation between the Diocese and an entity in which a diocesan representative or family member has a material financial interest or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative.

2.1.3. A diocesan representative in competition with the Diocese in the rendering of services or in any other contract, transaction, or situation with a third party.

2.1.4. A diocesan representative has a material financial interest in; or serving as a director, officer, employee, agent, partner, associate, trustee, personal representative, receiver, guardian, custodian, conservator or other legal representative of, or consultant to; an entity or individual that is in competition with the Diocese in the provision of services or in any other contract, transaction, or situation with a third party.

2.1.5. The acquisition and disposition of real estate and interests therein (e.g., leases, easements, air rights) when a diocesan representative has an interest in the other party to the transaction or in the brokerage firm or a relationship to the salesperson or a direct interest in the transaction.

2.1.6. Dealings with construction companies, service firms, professionals, and insurance companies can lead to potential conflicts of interest.

2.1.7. A diocesan representative accepting gifts, entertainment or other favors (e.g., finder’s fees or commissions) from any individual or entity that: (1) does or is seeking to do business with, or is in competition with the Diocese; or (2) has received, is receiving or is seeking to receive a loan or grant, or to secure other financial commitments from the Diocese.

2.2. Diocese means the Episcopal Diocese of Fort Worth.

2.3. A family member of a diocesan representative means a parent, sibling, spouse, domestic partner, or child; or a spouse, domestic partner, or child of a sibling, and any person who shares the same home of the diocesan representative or the spouse, domestic partner, or child of a sibling.

2.4. A material financial interest in an entity means a financial interest of any kind, that in view of all the circumstances, is substantial enough that it reasonably could affect a diocesan representative or family member’s judgment with respect to transactions to which the entity is a party. Employment; the conduct of over $10,000 of business in any one year; and ownership of a ten percent (10%) or more interest will be presumed to be a material financial interest.
2.5. A contract, transaction, or situation means any agreement or relationship involving the sale or purchase of goods, services, or rights of any kind, the providing or receipt of a loan or grant, the establishment of any other type of pecuniary relationship with the Diocese. For purposes of this policy, the making of a gift to the Diocese or the provision of services by the Diocese within the Diocese’s tax-exempt mission is not considered a contract, transaction, or situation.

3. Disclosure.

3.1. Each diocesan representative serves in a position of trust and has a duty to carry out his or her responsibilities and obligations in a manner consistent with that trust. All decisions made on behalf of the Diocese are to be made solely on the basis of intent to promote and protect the best interests of the Diocese.

3.2. Men and women of talent inevitably are involved in the affairs of other institutions and organizations. Accordingly, it would be unrealistic to expect that all diocesan representatives would be entirely free from at least perceived potential conflicts of interest. Although most such potential conflicts of interest which may arise are likely to be inconsequential, it is the responsibility of each diocesan representative to disclose those contracts, transactions, or situations that involve personal, family or business relationships that could be potential conflicts of interest.

3.3. Annually, each diocesan representative will (1) be provided with and asked to review a copy of the Conflict of Interest Policy and to acknowledge in writing that he or she has done so, and (2) complete a disclosure form identifying any relationships, positions or circumstances in which he or she is involved that he or she believes could contribute to a conflict of interest. The attached “Conflict of Interest Disclosure Form” will be used for the purposes of this paragraph. A copy of the signed form will be maintained in the Diocesan Office.

3.4. If a potential conflict of interest should occur during the year, each member of the Standing Committee shall disclose to the Standing Committee; each member of the Corporation Board, shall disclose to the Corporation Board; and each member of the Executive Council and officers, employees, and department/committee members of the Diocese shall disclose to the Executive Council each potential conflict of interest that could be construed to affect his or her independent, unbiased judgment in light of his or her decisions-making authority or responsibility. The disclosure shall be reflected in the minutes of the meeting.

4. Refrain From Participation.

4.1. A diocesan representative who has or is deemed to have a potential conflict of interest shall refrain from participating in the consideration of the contract, transaction, or situation that has given rise to the potential conflict of interest and shall not vote on the matter or participate in the discussion of the matter, either during the meeting or outside the meeting.
4.2. In some instances, it may be appropriate for a diocesan representative with a potential conflict of interest to be absent (either voluntarily or at the request of the body of which such diocesan representative is a part) from the meeting during the time that the consideration of the contract, transaction, or situation is taking place.
The Episcopal Diocese of Fort Worth

Conflict of Interest Disclosure Form

Date: ____________

Name: ______________________________________________________

Position (employee/volunteer/trustee):_____________________________

_____ I have reviewed the Conflict of Interest Policy of the Episcopal Diocese of Fort Worth.

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could contribute to a conflict of interest between [Name of Nonprofit] and your personal interests, financial or otherwise:

_____ I have no conflict of interest to report

_____ I have the following conflict of interest to report (please specify other nonprofit and for-profit boards you (and your spouse) sit on, any for-profit businesses for which you or an immediate family member are an officer or director, or a majority shareholder, and the name of your employer and any businesses you or a family member own):

1._________________________________________________________

2.__________________________________________________________________

3.__________________________________________________________________

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I have reviewed, and agree to abide by the Conflict of Interest Policy of the Episcopal Diocese of Fort Worth.

Signature: _____________________________________________________________

Date: ______________