



Diocese of Central Florida

Conflict of Interest Policy

Board Approved – November 2024

I. Definitions

1. **Diocesan Official** is defined collectively as a Diocesan officers, senior staff members involved in management, Diocesan Board member, Diocesan Standing Committee member, Diocesan Executive Committee member, the Chancellor and any Vice-Chancellor, Treasurer and any person confirmed by the Diocesan Board (Board) or elected by the Diocesan Convention.
2. **Diocesan Designated Volunteer** is defined collectively as any person appointed by the Bishop to a position of authority or leadership within the Diocese, including but not limited to all such appointed or elected committee members, commission members and task force members.
3. **Conflict of Interest** is defined as an interest that might affect or might reasonably appear to affect the judgment or conduct of any Diocesan Official, a Diocesan Designated Volunteer or an employee in a manner that is potentially adverse to the interests of the Diocese.
4. **Affiliated Person** includes a Diocesan Official, a Diocesan Designated Volunteer, employee or family member of any such person, including a domestic partner.
5. **An issue of Conflict of Interest** arises when an Affiliated Person has a financial or personal interest that conflicts with Diocesan interests or has a duality of interest.
6. **Canon to the Ordinary (Canon)** is a Diocesan staff person working directly for the Bishop as Primary Advisor, helping serve in the oversight of the congregations and clergy of the Diocese.

II. Overview

The Diocese of Central Florida (Diocese), congregations and related institutions seek to function and conduct business on an ethical basis. Preserving trust is helped by identifying certain behaviors, relationships and personal interests that might influence or raise doubts as to the impartiality of decisions and the independence of the parties involved.

The purpose of this Conflict of Interest Policy is to provide the Diocese with parameters for trustworthy and transparent actions so that all volunteers in leadership and governance positions and all employees understand acceptable standards of operation and when to seek further clarification. This approach is to protect the interests of the Diocese and all parties when considering entering into transactions or

arrangements that might benefit the private interest of a person connected with the Diocese or a relative or partner. Being fair, objective and reasonable are part of Diocesan culture.

The well-being of the Diocese must remain the primary concern in decisions and recommendations, and full disclosure of potential Conflicts of Interest is required for Diocesan Officials and Diocesan Volunteers who influence or vote on decisions of the staff, Board, committees, commissions and task forces. The underlying premise is that a position at the Diocese is not undertaken for personal gain. . For senior staff members involved in management, Diocesan Officials and Diocesan Designated Volunteers with Board-delegated powers, fiduciary duties of care and loyalty exist that carries a responsibility to disclose actual or potential Conflicts of Interest before the Diocese makes impacted decisions, so that decisions in the best in interest of the Diocese can be made.

This policy applies to every Diocesan Official, every Diocesan Designated Volunteer, and every Diocesan employee. However, compensated non-staff individuals or entities (for example, contractors) and volunteers other than those in leadership or governance positions may from time to time may be asked to complete the policy form by the Canon to the Ordinary (Canon) or people designated by the Canon. These situations would be handled completely by the Canon.

This policy defines some of the situations and/or circumstances that may be considered an actual or possible conflict of interest requiring action and the process for resolution. Consult the Canon for clarification and with questions.

Please note:

- This policy is not designed to eliminate relationships and activities that may create a duality of interest. However, it requires the disclosure of any actual or potential conflict, so that it be ethically assessed, and further outlines the process and permits the recusal of the person from related decisions if such recusal is deemed necessary. (The Diocesan volunteers and staff are usually conscientious on these issues.)
- This policy is intended to supplement, but not replace any applicable state and federal laws governing conflicts of interest related to nonprofit and charitable organizations.

III. Identifying Situations

A. Some specific examples of a conflict of interest that require disclosure and discussion

1. An Affiliated Person is party to a contract or involved in a transaction with the Diocese for goods or services.
2. An Affiliated Person has a material financial interest in a transaction between the Diocese and an entity of which the Affiliated Person is a director, officer, partner, member, shareholder (unless an insignificant amount), associate, employee, trustee, personal representative, receiver, guardian, custodian or other legal representative.
3. An Affiliated Person is engaged in some capacity with or has a material financial interest in a business or nonprofit enterprise that competes with the Diocese. A financial interest is not necessarily a conflict of interest. Under the following section, “Addressing a Conflict of Interest,” a person who has a financial interest may not have a conflict if the Diocesan Board evaluates and determines that a conflict of interest does not exist.
4. An Affiliated Person has a past or present relationship with a business or nonprofit enterprise, consultant or professional, that is under consideration for a contract with the Diocese.

5. A Board member (or a Diocesan Official or Diocesan Designated Volunteer) is engaged in a personal relationship with a staff member, whether by marriage, blood, adoption or domestic partnership.
6. An Affiliated Person receives gifts valued more than \$50 that are not shared with the larger group or receives cash of any amount from a third party on the basis of the Diocesan position.
7. An Affiliated Person receives remuneration or other financial gain from a transaction of any amount involving the Diocese. (This does not include minor gains such as small credit card points.)

B. Serious Implications

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 with the Diocesan decision-making process. In addition, if anyone from senior staff involved in governance, Diocesan Officials or Diocesan Designated Volunteers with Board-delegated powers is involved, the situation can result in inappropriate financial gain to persons in authority at the Diocese. This can lead to financial penalties and even possible violations of IRS regulations.

IV. Protocols

A. First Steps in Responsibility to Disclose

Every Diocesan Official, Diocesan Designated Volunteer and employee must accurately complete the Conflict-of-Interest Form upon appointment or employment and annually thereafter. All actual or possible financial or personal conflict-of-interest situations must be disclosed. The usual time for the annual update is early in the calendar year and frequently at the year's first group meeting.

1. Every person must openly acknowledge a potential, real or perceived, conflict of interest and manage such a conflict by refraining from discussions, decision making and voting on related matters.
2. If any Diocesan Official, Diocesan Designated Volunteer or employee needs to acknowledge a new, unrecognized or forgotten potential conflict of interest at any time, he or she should do the following:
 - a. A Diocesan Official or a Diocesan Designated Volunteer should notify the Canon in writing by email and copy the Bishop as soon as possible. Request an appointment with the Canon.
 - b. An employee should notify the Canon in writing by email as soon as possible. Request an appointment with the Canon.
3. If any Diocesan Official, Diocesan Designated Volunteer or employee believes that a conflict of interest may exist for another Diocesan Official, Diocesan Designated Volunteer or employee, the disclosing person should do the following:
 - a. If either the disclosing person or the person with the potential conflict is a Diocesan Official or a Diocesan Designated Volunteer, the disclosing person should notify the Canon in writing by email and copy the Bishop as soon as possible. The disclosing

person should request an appointment with the Canon or the Executive Committee (EC).

b. If both people involved are employees, the disclosing person should notify the Canon in writing by email as soon as possible. The disclosing person should request an appointment with the Canon.

B. Determining if a Conflict of Interest Exists

1. Disclosing your own possible conflict

a. For the determination process following the initial email, the disclosing person is given the opportunity to discuss all material facts in person and in writing with the Canon or may request the same opportunity with the EC. If working with the EC, the person should leave after presenting and answering questions. The Canon or the EC shall make an initial finding that the situation appears material, minor or no apparent conflict. The Canon or EC then provides written findings with recommendations for its determination to the Board where the Bishop serves as Board chair.

2. At the Board meeting the person may submit a written statement and speak as allowed by the rules of order for the meeting. If requested by the Board, the person should be available to respond to any related questions. Without the involved person in the room, the Board shall consider the matter and make a determination as to the existence of a conflict of interest. The Board has the final say when determining whether a conflict-of-interest situation exists and to what extent.

a. For the determination process following the initial email, the disclosing person is given the opportunity to discuss all material facts in person and in writing with the Canon or can request the same opportunity with the EC. If working with the EC, the disclosing person should leave after presenting. The Canon or the EC shall make an initial finding that the situation appears material, minor or no apparent conflict. The Canon or EC may decide how to follow up with the person with the possible conflict and, if needed, make contact for further clarification.

b. The person with the possible conflict situation is given the opportunity to discuss all material facts in person and in writing with the Canon or the EC, if involved. If applicable, the person should leave the EC after presenting. The Canon or EC then provides written findings with recommendations for its determination to the Board where the Bishop serves as Board chair.

c. At the Board meeting the Canon or EC should present a summary from the disclosing person. The person with the possible conflict may submit a written statement, speak as allowed by the rules of order for the meeting and should be available to respond to any related questions from the Board. Without the potential-conflict person in the room, the Board shall consider the matter, make a determination as to the existence of a conflict of interest and the extent of the conflict. The Board has the final say when determining whether a conflict-of-interest situation exists and to what extent.

C. Addressing the Conflict of Interest

1. Once the Board determines that a conflict of interest exists, the Board shall consider all relevant information and decide how to best handle the matter as appropriately and expeditiously as possible under the relevant circumstances. The

related discussion and vote may take place at a regularly scheduled Board meeting or at a special Board meeting called for this purpose.

2. In the instance of an actual or potential financial conflict of interest with a sale or purchase of property, the Board shall determine whether the Diocese can obtain, with reasonable efforts and in a reasonable timeframe, a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If this is not reasonably possible, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Diocese's best interests and whether it is fair and reasonable. With the consent of the Board, the Board chair may have or appoint a member or committee to propose alternatives to the proposed transaction or arrangement. Along with the above determination, the Board shall make its decision as to whether or not to proceed with the transaction or arrangement.

3. In the instance of a relationship or financial conflict of interest involving a Board member, the member shall recuse from all related discussions and decision-making matters. If the conflict would greatly interfere with the member's ability to participate in decision making, the conflict-of-interest member may be asked by a majority vote of the Board to resign from the Board.

4. The person experiencing the conflict and, if applicable, the person bringing the situation to light should be promptly notified of the Board's decision.

D. Violations of the Conflict of Interest Policy

1. After hearing the involved person's response and after making further investigation as warranted by the circumstances, the Board may determine that a Diocesan Official, Diocesan Designated Volunteer or employee has knowingly failed to disclose an adverse financial or personal interest. The Board shall confirm or determine by majority vote of its disinterested directors, any appropriate corrective action for a Diocesan Official or a Diocesan Designated Board Volunteer.

2. The Canon shall handle any appropriate corrective action for employees.

E. Records of Proceedings

1. The meeting minutes of the Board or EC or notes from meeting with the Canon shall contain the following elements:

- a. The names of persons who disclosed the potential conflict as well as those persons who were involved with the actual or possible conflict of interest;
- b. The nature of the conflict;
- c. Any action taken to determine whether a conflict was present;
- d. The decision as to whether a conflict in fact existed;
- e. If the incident was material or minor;
- f. The outcome of the process including how resolved and any corrective actions;
- g. The names of persons present for conflict-of-interest discussions and votes relating to the transaction or arrangement;
- h. The content of the discussion including alternatives to the proposed transaction or arrangement; and
- i. A record of any votes taken in connection with the proceedings.

2. These records of proceedings shall be retained by the Diocese. Records of more serious situations shall be retained at least seven years.

3. People allowed to review the minutes are the auditors and others as determined by the Bishop or Canon.

F. Confidentiality

Situations involving actual or possible conflicts of interest are usually best handled confidentially. Diocesan Officials, Diocesan Designated Volunteers and employees agree to maintain confidentiality according to the steps in this Conflict of Interest Policy. The involved people may discuss the issues with the Canon.

G. Compensation

Unless otherwise approved by action of the Board after full disclosure of relevant material facts, a member of the Diocesan Officials or the Diocesan Designated Volunteers shall not be eligible for financial compensation or remuneration from the Diocese of any kind other than the reimbursement of expenses incurred on its behalf.

H. Periodic Reviews

1. To ensure the Diocese operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews may be conducted. The periodic reviews, at a minimum, shall include the following subjects:

- a. Whether staff compensation arrangements are reasonable and based on competent survey information;

Whether partnerships, joint ventures and arrangements with outside organizations conform to Diocesan written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in any Diocesan Official, Diocesan Designated Volunteer or employee inappropriately using the organization's assets for personal gain, impermissible private benefit or an excess benefit transaction;

- b. Appropriate disclosures by Diocesan Officials, Diocesan Designated Volunteers and employees are being made; and,

- c. Suggested frequency for the review is at least every three years.

When conducting the periodic reviews, the Diocese may engage the services of outside advisors, consultants or legal counsel, but is not required to do so. If outside experts are engaged, their use shall not relieve the Board of its responsibility for ensuring that required periodic reviews are conducted.

Annual Conflict of Interest Disclosure Statement

Each Diocesan Official, Diocesan Designated Volunteer and employee shall complete a disclosure statement annually that confirms agreement with the spirit and intent of this Conflict of Interest Policy beginning with appointment or hiring.

By initialing and signing this document, I am affirming that:

1. I have disclosed below all actual or potential conflicts of interest to the best of my knowledge, whether material in fact or in appearance, and I agree I have an ongoing duty to disclose within a reasonable time any conflicts of interest that arise in the future for so long as my Diocesan position of authority or employment continues;
2. I have received a copy of the Conflict of Interest Policy;
3. I have read and understand the Conflict of Interest Policy;
4. I have agreed to comply with the Conflict of Interest Policy;
5. I understand that the Diocese is a charitable entity and in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes;
6. I have agreed to confidentiality;
7. I have agreed to promptly inform the Canon to the Ordinary of any change that may develop between disclosure statements; and,
8. I have agreed to recuse myself, with duality of interests, from debate or vote on related matters unless asked for specific information by the Bishop, Canon to the Ordinary, Board, Executive Committee or another committee, commission or task force.

Please initial the statement that best applies and complete as necessary.

_____ I know of no Conflict of Interest by me, a family member or domestic partner that could be or give the appearance of being a Conflict-of-Interest situation at this time.

_____ Understanding that a Conflict of Interest can take many forms in my business, volunteering, relationships, interests and situations involving me as an "Affiliated Person," I think there might be or appear to be a potential Conflict of Interest with the Diocese of Central Florida. Duality of interests could be possible because:

(Use additional paper and include attachments if necessary.)

Printed Name

Signature

Diocesan Staff Person Diocesan Official/Designated Volunteer
Circle Role

Date

Thank you for your commitment to the Episcopal Diocese of Central Florida.

Diocesan Officials and Diocesan Designated Volunteers, please also complete the following section.

All Diocesan “Officials” and “Designated Volunteers”

1. Please list all Diocesan Boards, Committees, Commissions and Task Forces on which you serve. Next to each, note any office that you hold and what year that term expires. Also include individual positions held (ex. Treasurer).

2. As a member of these Diocesan Committees, Commissions, Task forces and/or the Board, I have personal, professional, investment , or political involvement in these following businesses or organizations that may be or appear to be a Conflict of Interest to the Diocese of Central Florida or one of its member institutions.

3. If it is discovered that I am a member of an organization or company that is doing business or considering doing business with the Diocese of Central Florida, I immediately will make the situation known to the Bishop or Canon to the Ordinary and recuse myself from the related Diocesan discussions and related votes. If this conflict or potential conflict involves ongoing communication that could be construed to be unfairly biased or showing preferential treatment, and the Bishop or the Canon to the Ordinary request, I immediately will resign from my Diocesan responsibilities.

Printed Name

Signature

Date

Thank you again for your commitment to the Episcopal Diocese of Central Florida.