

# Conflict of Interest Policy Statement and Disclosure Form

*Adopted by the Executive Council*

*June 15, 2023*

## I. Purpose

The purpose of this Policy is to protect the interests of the Domestic and Foreign Missionary Society (“DFMS”) and the General Convention of The Episcopal Church (“General Convention”) and to provide guidelines for handling perceived, potential, or actual conflicts of interest, by directors, officers, other key persons of the DFMS and/or the General Convention, and those in a direct position to influence actions taken by DFMS and/or the General Convention

## II. Definitions

**A. Affiliate or Affiliated Organization** is any entity controlled by, in control of, or under common control with DFMS or the General Convention. (References to DFMS or the General Convention herein are intended to also include its affiliates and affiliated organizations.)

**B. Conflict of Interest** is any circumstance described in Section IV of this Policy.

**C. Contract or Transaction** is 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, or review of a charitable organization by DFMS, or the promotion of a particular legislative policy for DFMS or the General Convention. The making of a gift to DFMS is not a Contract or Transaction.

**D. Covered Individual** includes the following:

- All members of Executive Council,
- All members of Committees, Commissions, Agencies, Boards and Task Forces of General Convention or Executive Council that engage in Contracts or Transactions including, those that set legislative policy on behalf of DFMS or the General Convention, and
- All officers and employees of DFMS, including Consultants and Independent Contractors.

**E. Related Party** means any Covered Individual, any relative of a Covered Individual, or any entity in which a Covered Individual or relative of a Covered Individual has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%.

**F. Related Party Transaction** means any transaction, agreement or any other arrangement in which a Related Party has a financial interest and in which DFMS or any Affiliate is a participant.

**G. Relative** means a Covered Individual’s spouse, ancestors, brothers and sisters (whole, half-blood or step-), children, grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren and great-grandchildren or a domestic partner.

### **III. Responsibility of Covered Individuals**

Covered Individuals shall:

- Rather than promoting the personal or pecuniary interest of themselves, or of someone else, promote the best interests of DFMS, the General Convention and their Affiliates at all times;
- Conduct their activities in such a way to avoid any appearance of a Conflict of Interest, or actual, loss or embarrassment to DFMS, the General Convention, and their Affiliates that might arise from improper influence on business decisions of DFMS and/or the General Convention;
- Avoid disclosure or private use of information regarding the business affairs or plans of DFMS or the General Convention;
- Disclose and recuse themselves from any consideration of or exertion of influence regarding a Contract or Transaction in which they have or could have the appearance of a Conflict of Interest; and
- Be aware of and guided by this Conflict of Interest Policy.

### **IV. Conflicts of Interest Defined**

For purposes of this policy, the following circumstances shall be deemed to create Conflicts of Interest.

- A. Accept or undertake to accept an emolument or gift, a loan (except from an established financial institution at standard, commercial rates available to the general public such as a home mortgage, personal, or home equity loan), entertainment, favors, or similar benefits of more than a nominal value (\$100 per incident or \$200 accumulated annually from the same service provider or grantee) from any person or organization seeking to do business with, doing business with, under contract to, or having done business with or been under contract to DFMS or the General Convention;
- B. Serve as a director, officer, or key employee in a position to exercise substantial influence over the affairs of any outside entity (e.g., corporation, unincorporated business, limited partnership, conference center or camp (whether Episcopal or otherwise), publisher) that is or has been under contract to, or is seeking to do, is doing, or has engaged in Contracts or Transactions with DFMS or the General Convention, including any vendor or prospective vendor that provides or seeks to provide goods or services to DFMS or the General Convention;
- C. Fail to disclose in good faith the material facts concerning an actual or potential Related Party Transaction such that a Covered Individual should recuse themselves from consideration or influencing a decision on the transaction;
- D. Act as an agent for or a representative of an entity or person (e.g. as an attorney, financial advisor, or commercial broker) that is in negotiations with DFMS or the General Convention for the services of that entity or person;
- E. Furnish investment or managerial advice or services to DFMS or the General Convention if his/her principal outside occupation is the investment and/or management of funds or property, except as a member of the Investment Committee of The Executive Council of the DFMS with full disclosure of that relationship;

- F. The promotion of a particular legislative policy for DFMS or the General Convention that serves a personal, private, or pecuniary interest of a Covered Individual or their Relative;
- G. Knowingly act as a fiduciary, whether executor, trustee, guardian, conservator, committee member, or custodian of any fund, trust, or estate, in which DFMS or the General Convention has a beneficial interest;
- H. Fail to disclose actual knowledge of a relative's conflict or potential conflict as defined herein, including, but not limited to, a relative engaging in or attempting to engage in a Related Party Transaction;
- I. Disclose any confidential information about DFMS or the General Convention without authorization, not required by the nature of the services provided, to any outside entity or person, for personal profit, advantage, or any other reason.

## **V. Disclosure Procedure**

- A. All Covered Individuals are to read, acknowledge receipt of and acquiesce to the terms of the foregoing Policy and make a full and prompt disclosure of any and all instances of potential conflict of interest, as defined herein, to the Joint Audit Committee of the Executive Council/DFMS ("Audit Committee"). Such disclosure shall be made by the submission through the Executive Officer of the General Convention to the Audit Committee of a Conflict of Interest Report ("Report") (see attached form): 1) within thirty (30) days of the Covered Individual coming under the scope of the Policy; 2) for all Covered Individuals except for DFMS employees, prior to the first meeting of the Executive Council or relevant Committees, Commissions, Agencies, Boards and Task Forces of General Convention or the Executive Council, each year thereafter; 3) for all DFMS employees, annually; 4) not less than fifteen (15) days after he/she has reason to believe that a) a particular situation or circumstance heretofore unreported might be construed as a conflict of interest or b) a particular situation or circumstance heretofore reported, but not at that time determined to be a conflict of interest, might now be so construed; 5) as soon as a new affiliation with DFMS begins; and 6) upon revisions of this Policy.
- B. The Executive Officer shall consult with the Chief Legal Officer and the Chair of the Audit Committee as to potential Conflicts of Interest and shall document actions taken. Should a Conflict or potential Conflict of Interest previously unknown to a Covered Individual arise during consideration of a matter, such Covered Individual shall disclose the Conflict of Interest to the body before which the matter is pending, and shall recuse themselves from consideration of or from influencing the consideration of the matter which may include leaving the room (or on-line meeting) while the matter is being discussed. Any question concerning whether a conflict exists in that situation should be resolved by a majority vote of the body. Such recusal shall be noted in the minutes of the meeting (if they are taken).
- C. Upon referral to the Audit Committee, the Audit Committee shall a) examine all disclosures, b) determine whether a conflict did, does or will exist, and c) propose remedial action. In its review of a potential conflict, the Audit Committee shall document the existence and resolution of the conflict in its minutes of any meeting at which the conflict was discussed and voted upon. The Audit Committee shall make reasonable efforts to resolve in a timely manner any conflict that it determines does exist and shall provide in a timely manner a report to the Executive Council

which shall summarize all reported conflicts and the final resolution, if any, of such conflicts. The Audit Committee's determination concerning a conflict shall resolve the disposition of the matter, but, its determination may be appealed to the Executive Council.

If a conflict of interest is established, the affected group shall be notified through its Chair of the existence of the conflict and the Covered Individual with the conflict of interest shall not be allowed to be present or participate in the deliberation or vote on the matter giving rise to such conflict and shall be prohibited from influencing the deliberation or voting on the matter giving rise to such conflict.

- D. All information disclosed by a Covered Individual pursuant to the provisions of this Policy shall be treated as confidential, except for situations and circumstances in which the Audit Committee or DFMS may be compelled to reveal all or part of that information in order to protect its interests. In such situations or circumstances, the Covered Individual who disclosed the information shall be given prior notice.

## **VI. Applicability of Policy**

Any separately incorporated affiliated organization which administers its own Conflict of Interest Policy is not covered by this policy.

**Conflicts of Interest Disclosure Form**

**TO:** Joint Audit Committee of the Executive Council/DFMS

**FROM:**                   **TITLE:**

**AFFILIATIONS(S):** \_\_\_\_\_

**DATE:**

\_\_\_\_\_

***Reporting no Conflicts of Interest:*** I acknowledge receipt of, have read and acquiesce to the terms of the *Conflict of Interest Policy Statement* of DFMS and the General Convention and acknowledge my fiduciary duty to DFMS and the General Convention. To the best of my belief and knowledge, neither I nor any relative is pursuing any interest, has any connection, or within the past year engaged in any activity that conflicts with the interests of DFMS and the General Convention as they are defined in the Conflict of Interest Policy Statement. I do so now stipulate without exception or qualification:

\_\_\_\_\_  
*(Signed)*

***Members of the Committee on Investments: Reporting no Conflicts of Interest:*** Because my principal occupation is the management of investments and/or real property, I have been appointed to the Committee on Investments. To the best of my belief and knowledge I have not in the past year influenced or attempted to influence the selection of brokerage firms or influenced the purchase or sale of securities in the investment portfolios of DFMS. I do so now stipulate without exception or qualification:

\_\_\_\_\_  
*(Signed)*

\_\_\_\_\_  
*(Print name of employer)*

***Reporting Potential Conflicts of Interest:*** I have read the *Conflict of Interest Policy Statement* of DFMS and the General Convention and acknowledge my fiduciary duty to them. Based on my understanding of this document I am now reporting the following potential conflict(s) of interest. On the attached sheet(s) I am setting forth the details for your information and review.

\_\_\_\_\_  
*(Signed)*