

Society of St. Vincent de Paul Diocesan Council of Marquette Conflict of Interest Policy

1. **Purpose.** The Society of St. Vincent de Paul, including its Diocesan Council of Marquette Members, appointed Board Members, Committee Members and Office Staff, have a clear obligation and commitment to conduct all affairs of the organization in accordance with the highest standards of integrity and ethics and in compliance with applicable federal and state laws and with the standards set forth below related to conflict of interest and commitment to the best interests of the organization.

All employees of the Society of St. Vincent de Paul must avoid conflicts of interest or any appearance of conflicts between their own personal interests and the interests of the organization. All employees are obligated to avoid any situation in which an actual or potential conflict of interest could arise. Any situation or activity involving a potential conflict of interest must be disclosed in advance in accordance with the policy and procedures set forth below.

This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to our organization.

2. **Definitions.** For purposes of this policy, the following definitions apply:
 - a. **Interested person.** Any director, principal officer or member of a committee with governing board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person.
 - b. **Financial interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
 - An ownership or investment interest in any entity with which the Society of St. Vincent de Paul has a transaction or arrangement.
 - A compensation arrangement with the Society of St. Vincent de Paul or with any entity or individual with which the organization has a transaction or arrangement.
 - A potential ownership or investment interest in, or compensation arrangement with any entity or individual with which the organization is negotiating a transaction or arrangement.

The term *compensation* includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest (see section 4).

3. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees

with governing board-delegated powers considering the proposed transaction or arrangement.

4. **Due Diligence Procedures.** A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the meeting of the governing board or committee while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the governing board or committee shall determine whether the organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstance not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

5. **Policy Violations.** If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

6. **Documentation.** The minutes of the governing board and all committees with board-delegated powers shall contain:
 - The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest; the nature of the

- financial interest; any action taken to determine whether a conflict of interest was present; and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- The names of the persons who were present for discussions and votes relating to the transaction or arrangement; the content of the discussion, including any alternatives to the proposed transaction or arrangement; and a record of any votes taken in connection with the proceedings.
7. **Compensation Matters.** A voting member of the governing board who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to his compensation. Likewise, a voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the organization for services is precluded from voting on matters pertaining to his/her compensation.
8. **Annual Statements.** Each director, principal officer and member of a committee with governing board-delegated powers shall annually sign or confirm a statement attesting to the fact that he/she:
- Has received a copy of the conflict-of-interest policy.
 - Has read and understands the policy.
 - Has agreed to comply with the policy.
 - Understands the organization is charitable 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.
9. **Periodic Reviews.** To ensure that the Society of St. Vincent de Paul operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum include:
- Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
 - Whether partnerships, joint ventures, and arrangements with management organizations conform to the organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit or an excess benefit transaction.

Any questions concerning this policy should be addressed to the office of the Diocesan Council of Marquette Executive Director.

**Society of St. Vincent de Paul
Diocesan Council of Marquette
Conflict of Interest Policy**

Policy

It is the policy of the Society of St. Vincent de Paul that Diocesan Council of Marquette Members, appointed Board Members, Committee Members and Office Staff will disclose any activities that could result in a possible conflict of interest.

Procedure

1. Diocesan Council of Marquette (DCM) Members, appointed Board Members, Committee Members and Office Staff will be given a copy of the Conflict of Interest Policy and Procedures upon election/appointment/or initiation of employment.
2. The Executive Director will ensure that all Diocesan Council of Marquette Members, appointed Board Members, Committee Members and Office Staff complete the Conflict of Interest Questionnaire (Exhibit A) during the first month of their appointment/employment.
3. Any individual having a conflict of interest or possible conflict of interest as discovered through the Conflict of Interest Questionnaire or subsequently, should not vote or use personal influence on the matter. Minutes of meetings should reflect that a disclosure was made and note the abstention from voting.
4. Any conflict of interest or possible conflict of interest on the part of an individual should be disclosed to the Council leadership when it becomes a matter of possible DCM action.
5. The forgoing requirement should not be construed as to prevent an individual from briefly stating his/her position in the matter since his/her knowledge may be of assistance to the Council.
6. The Conflict of Interest Statement will be renewed annually. Any Conflict of Interest should be disclosed when it occurs. Failure to comply will exclude the member from Diocesan votes.

**Society of St. Vincent de Paul
Diocesan Council of Marquette**

Conflict of Interest Questionnaire

Pursuant to the purposes and intent of the Society of St. Vincent de Paul, Diocesan Council of Marquette which requires disclosure of certain interests, a copy of which Policy has been furnished to me, I hereby state that I, or members of my immediate family have the following affiliations of interest and have taken part in the following transactions that, when considered in conjunction with my position with or relation to the Diocesan Council of Marquette, might possibly constitute a conflict of interest.
(Check NONE where applicable.)

1. Outside Interests. Identify the interests of yourself or your immediate family:

a) Holding, directly or indirectly, a position or a material financial interest in any outside concern which the individual has reason to believe this Council secures goods or services.

() NONE

b) Competing, directly or indirectly with the Council or the member Councils, Conferences, or Special Works of the Society in the purchase or sale of property or property rights, interest, or services.

() NONE

2. Outside Activities. Identify outside activities of yourself or your immediate family that render directive, managerial, or consultative services to any outside concern that does business with, or competes with services of the Diocesan Council of Marquette.

() NONE

3. Consultant Services. Identify any relationship (financial or otherwise) with any company or organization which furnishes consulting or professional services for the Diocesan Council of Marquette.

() NONE

4. Inside information. By signature below, I certify that neither I nor any member of my immediate family have disclosed or used information relating to the Council's business for the personal profit or advantage of myself or any member of my immediate family.

5. Gifts and Gratuities. I certify that neither I nor any members of my immediate family have accepted gifts, gratuities, or entertainment that might influence my judgment or actions concerning business of the Diocesan Council of Marquette. (This does not include the acceptance of items of nominal or minor value that are clearly tokens of respect or friendship and not related to any particular transaction.)

() NONE

I agree to report to the Diocesan President any change in the responses to each of the foregoing questions which may result from changes in circumstances.

DATE _____

NAME _____

POSITION _____

Date: _____

My signature below confirms that I:

- Have received a copy of the conflict-of-interest policy.
- Have read and understand the policy.
- Have agreed to comply with the policy.
- Understand the organization is charitable and in order to maintain the federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Name:

Position:
