

## ***CONFLICTS OF INTEREST POLICY***

### **Introduction**

In the course of business, situations may arise in which an organization (herein, “the Council”) decision-maker has a conflict of interest, or in which the process of making a decision may create an appearance of a conflict of interest.

### **What Constitutes a Conflict of Interest?**

A conflict of interest arises when a director or employee/volunteer involved in making a decision is in the position to benefit, directly or indirectly, from his/her dealings with the Council or person conducting business with the Council. A potential conflict of interest exists when the director or employee/volunteer, or his/her immediate family (spouse, children, brother, sister and spouses of children, brother or sister) owes/receives more than 1% of the benefiting business profits.

Examples of conflicts of interest include, but are not limited to, situations in which a director or employee:

1. Negotiates or approves a contract, purchase or lease on behalf of the Council and has direct or indirect interest in, or receives personal benefit from, the entity or individual providing the goods or services;
2. Negotiates or approves a contract, sale or lease on behalf of the Council and has a direct or indirect interest in, or receives personal benefit from, the entity or individual receiving the goods or services.

### **Resolutions of Conflicts of Interest**

The Audit and Finance Committee shall be responsible for making all decisions concerning resolutions of conflicts involving directors, Executive Director and other members of senior management.

The chair of the committee shall be responsible for making all decisions concerning resolutions of conflicts involving Audit and Finance Committee members.

The President of the Board of Directors shall be responsible for making all decisions concerning resolutions of the conflict involving the chair of the Audit and Finance Committee.

The Executive Director shall be responsible for making all decisions concerning resolutions of conflicts involving employees/volunteers below the senior management level, subject to the approval of the Audit and Finance Committee.

### **Appeal Process**

An employee/volunteer or director may appeal the decision that a conflict (or appearance of conflict) exists as follows:

1. An appeal must be directed to the President of the Board of Directors.
2. Appeals must be made within thirty (30) days of the initial determination.
3. Resolution of the appeal shall be made by vote of the full Board of Directors.
4. Board members who are the subject of the appeal or who has a conflict of interest with respect to the subject of the

appeal, shall abstain from participating in, discussing or voting on the resolution, unless their discussion is requested by the remaining members of the Board of Directors.

### **Disciplinary Action for Violations of this Policy**

Failure to comply with the standards contained in this policy will result in disciplinary action that may include termination, referral for criminal prosecution, and reimbursement to the Council or to the government for any loss or damage resulting from the violation. As with all matters involving disciplinary action, principles of fairness will apply. Any employee charged with a violation of this policy will be afforded an opportunity to explain his/her actions before disciplinary action is taken.

Disciplinary action will be taken:

1. Against any employee/volunteer who authorizes or participates directly in actions that are a violation of this policy.
2. Against any employee/volunteer who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of this policy.
3. Against any director, manager or supervisor who attempts to retaliate, directly or indirectly, or encourages others to do so, against any employee/volunteer who reports a violation of this policy.

**NOTE:** A board member who violates this policy will be removed from the Board of Directors.

### **WHISTLEBLOWER PROTECTION**

The Council will consider any reprisal against a reporting individual an act of misconduct subject to disciplinary procedures. A "reporting individual" is one who, in good faith, reported a suspected act of misconduct in accordance with this policy, or provided to a law enforcement officer any truthful information relating to the commission or possible commission of a Federal offense.

### **Conflict of Interest Disclosure Statement**

I have read and am fully familiar with the Lancaster County Council of Churches Conflicts of Interest Policy as described in the by-laws. Except for the matters listed below there is no situation in which I am involved, which my decisions on behalf of the Lancaster County Council of Churches may be influenced by my own gain or advantage, financial or otherwise.

Please describe any existing or potential conflict of interest associated with any particular contract or transaction relating to your role with the Lancaster County Council of Churches. If none, please indicate in the space below.

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I agree to promptly, in accordance with the requirements of the Lancaster County Council of Churches By-laws and Conflicts of Interest Policy, any additional interests which may arise after the filing of this statement.

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*Print Name*

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*Signature*

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*Date*

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*Print Name (LCCC Representative)*

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*Signature (LCCC Representative)*

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*Date*