

CATHOLIC CHARITIES, INC. CONFLICT OF INTEREST POLICY

Conflicts of Interest(Excerpt from Financial Policy – Policy on Business Conduct)

In the course of business, situations may arise in which an Agency 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.

All members of the Board of Directors, members of the Governance Council and Agency employees have an obligation to

1. Avoid conflicts of interest, or the appearance of conflicts, between their personal interests and those of the Agency in dealing with outside entities or individuals,
2. Disclose real and apparent conflicts of interest to the Board of Directors, and
3. Refrain from participation in any decisions on matters that involve a real conflict of interest or the appearance of a conflict.

For additional policies regarding Conflicts of Interest, refer to General Policy B.1, General Policy B.4 and General Policy D.1.

What Constitutes a Conflict of Interest

A conflict of interest arises when a member of the Board of Directors, member of the Governance Council or employee involved in making a decision is in the position to benefit, directly or indirectly, from his/her dealings with the Agency or person conducting business with the Agency.

Disclosure Requirements

The first step in addressing conflicts of interest is disclosure. A member of the Board of Directors, member of the Governance Council or employee who believes that he/she may be perceived as having a conflict of interest in a discussion or decision must disclose that conflict to the group making the decision. Most concerns about conflicts of interest may be resolved and appropriately addressed through prompt and complete disclosure.

Resolution of Conflicts of Interest

All real or apparent conflicts of interest shall be disclosed to the Finance/Audit Committee and the Executive Director of the Agency.

The Finance/Audit Committee shall be responsible for making all recommendations concerning resolutions of conflicts involving members of the Board of Directors, members of the Governance Council, the Executive Director, and other members of senior management. Should the reportable conflict involve a member of the Finance/Audit Committee other than the chair of the Finance/Audit Committee, the chair shall be responsible for making all decisions concerning resolutions of conflicts involving the Finance/Audit Committee member. Should the conflict involve the chair of the Finance/Audit Committee, the chair of the Board shall be responsible for making all decisions concerning resolutions of the conflict.

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

A member of the Board of Directors, member of the Governance Council or employee may appeal a determination that an actual or apparent conflict of interest exists. The appeal must be directed to the Chair of the Board. Appeals must be made within 30 days of the initial determination. Resolution of the appeal shall be made by vote of the full Board of Directors. Board members who are the subject of the appeal, or who have a conflict of interests 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.

Violations of This Policy

Given the importance of resolving conflicts of interest, violations of this policy, including failure to disclose conflicts of interest, may result in termination of a member of the Board of Directors (only at the direction of the Diocesan Bishop,) member of the Governance Council, Executive Director, or member of senior management (at the recommendation of the Finance/Audit Committee) or employee (at the direction of the ED or recommendation of the Finance/Audit Committee).

Disciplinary Action

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 Agency 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 her/his actions before disciplinary action is taken.

Disciplinary action will be taken:

1. Against any employee who authorizes or participates directly in actions that are a violation of this policy.
2. Against any employee who has deliberately failed to report a violation or deliberately withheld relevant and material information concerning a violation of this policy.
3. Against any member of the Board of Directors (at the discretion of the Diocesan Bishop,) member of the Governance Council, Program Director or supervisor who attempts to retaliate, directly or indirectly, or encourages others to do so, against any employee who reports a violation of this policy.

Updated: August 2009

I have read the above policy and I am :

____ in compliance _____
Signature date

____ have possible conflicts _____
Signature date

Possible conflicts:
