

EPISCOPAL DIOCESE OF INDIANAPOLIS
Conflict of Interest Policy

A conflict of interest is a transaction or relationship that presents or may present a conflict between a member or an employee's obligation to the Diocese of Indianapolis (and the diocesan Parishes and Missions) and that person's personal, business or other third party interests.

This policy is designed to help identify situations that present potential conflicts of interest and to provide a procedure that will allow a transaction to be treated as valid and binding even though a member may have a conflict of interest with respect to the transaction. The policy is intended to comply with IC 23-17-13-2 of the Indiana Nonprofit Corporations Act governing conflicts of interest for directors of nonprofit corporations.

I. Relationships:

A. **Personal Relationships:** It is best practice to avoid dual relationships whenever possible. Dual relationships in a church setting occur when clergy attempt to relate to a person on two levels at the same time. This can happen when clergy attempt to relate to an individual both personally and professionally (i.e., as cleric and parishioner, and at the same time in some other role such as supervisor and parish employee.) Dual relationships may diminish the effectiveness of ministry.

To avoid dual relationships:

- Parishioners should not be in paid staff positions if at all possible.
- A clergy spouse, partner or family member should not serve on parish staff as a lay employee, a convention delegate, or as a parish officer or Vestry/Bishop's Committee member in the parish where the related clergy person serves.
- Do not allow more than one member of a family to serve on Vestry/Bishop's Committee.

B. **Business Relationships:** All conflicts of interest are not necessarily harmful to the diocese or a church; however, full disclosure of actual and potential conflicts should be considered by the Executive Council/Vestry/Bishop's Committee. The interested member(s) should be excused from participating in discussions and voting on the matter. Any deviation from the policy should be approved and documented.

Example:

- A contract or financial transaction between the diocese or a church and an entity to which a member, clergy, officer, or family member has a material financial interest or of which such person is a director, officer, agent, partner, associate, trustee, personal representative, receiver, guardian, conservator or other legal representative.

II. Procedures to Disclose and Address Personal & Business Relationships:

A. **Disclosure of Conflict**

- Prior to board or committee action on employment, a contract, or transaction all interested persons in attendance with any actual or possible conflicts of interest shall disclose his or her personal or financial interest and all material facts. Such disclosure shall be reflected in the minutes of the meeting.