



CONFLICT OF INTEREST

POLICY

The purpose of the conflict of interest policy is to protect the Archdiocese of Miami's interest when it, or any of its parishes, entities or corporations, is contemplating entering into a transaction or arrangement that might benefit, directly or indirectly, the private interest of an employee or volunteer of the Archdiocese or result in an excess benefit transaction as defined in Section 4958 of the Code. This policy is intended to supplement but not replace any applicable federal or state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

I. Purpose.

Employees and volunteers of the Archdiocese of Miami are to exercise particular care to conduct their affairs so as to avoid conflicts (or the appearance of conflicts) between their own interests (including the interests of their family members and other related parties) and the interests of the Archdiocese. The term "conflict of interest" pertains to any situation in which an individual or a related party benefits or stands to benefit at the expense or potential expense of the Archdiocese and/or its affiliated entities or where the situation of an individual or related party and the Archdiocese present a potential conflict of interest. The policy regarding conflict of interest may also apply in circumstances when the closeness of relationship with the one who would benefit may suggest the perception of undue influence.

The conflict may be any activity, financial interest or relationship with another person or organization that would (a) impair or appear to impair an individual's independent judgment in the discharge of his/her duties, (b) conflict with the best interests of the Archdiocese and/or its affiliated entities or (c) result in a personal profit or advantage to these individuals at the expense of the Archdiocese and/or its affiliated entities. The conflict may involve direct or indirect interests, and may arise if an action is taken which may compromise the individual's capacity to act in the best interest of the Archdiocese and/or its affiliate entities.

II. Definitions.

- A. Interested Person. Any employee or volunteer of the Archdiocese of Miami 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 relationships, close friendships, investment interests, or family members (including relatives) (collectively, "Related Party" or "Related Parties") :
1. an ownership or investment interest in any entity with which the Archdiocese of Miami, its parishes, entities or corporations (Archdiocese and/or affiliated entity) has a transaction or arrangement, or
 2. a compensation arrangement with the Archdiocese and/or affiliated entity or with any entity or individual with which the Archdiocese and/or affiliated entity has a transaction or arrangement, or
 3. a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Archdiocese and/or affiliated entity is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts, travel or favors that are substantial in nature (more than \$100). A Financial Interest is not necessarily a conflict of interest, but in no event shall an Interested Person, provide financial management or investment



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counseling services (collectively, “Financial Services”) to the Archdiocese and/or affiliated entity. Therefore, if an Interested Person, directly, or indirectly through a company or entity in which he has a Financial Interest, provides Financial Services, a conflict of interest exists and conflict shall disqualify the Interested Person from serving the Archdiocese and/or affiliated entities in that capacity. Under paragraph III, B below, in cases other than the provision of Financial Services, a person who has a Financial Interest has a conflict of interest only if the Archdiocese and/or affiliated entity decides that a conflict of interest exists.

III. Procedures.

- A. Duty to Disclose. In connection with any actual or possible conflicts of interest, an Interested Person must disclose the existence and nature and all material facts to the Archdiocese and/or affiliated entity considering the proposed transaction or arrangement and the benefit, if any, to the Interested Person or a Related Party.
- B. Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after discussion with the Interested Person, he or she shall not participate in a committee or management discussion while the determination of a conflict of interest is evaluated. The Interested Party’s supervisor shall decide if a conflict of interest exists, except in cases involving the provision of Financial Services.
- C. Procedures for Addressing Conflicts of Interest.
 1. An Interested Person may provide information or make a presentation but he or she shall not participate in the discussion of, and the decision related to, the transaction or arrangement that results in the conflict of interest.
 2. If needed, the Interested Person’s supervisor shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 3. After exercising due diligence, a determination shall be made whether the Archdiocese and/or its affiliated entity can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.
 4. If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the Interested Person’s supervisor shall determine whether the transaction or arrangement is in the Archdiocese and/or affiliated entity’s best interest, for its own benefit and whether the transaction or arrangement is fair and reasonable and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.
- D. Violations of the Conflicts of Interest Policy.
 1. If the Interested Person’s supervisor or has reasonable cause to believe that an Interested Person has failed to disclose actual or potential conflicts of interest, it will ordinarily inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.
 2. If, after hearing the response of the Interested Person and making such further investigation as may be warranted in the circumstances, supervisor that the Interested Person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

- ### IV. Annual Statements: Employees. Each employee shall sign a statement which affirms that such person
- has received a copy of the conflicts of interest policy;
 - has read and understands the policy;
 - has agreed to comply with the policy; and



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- understands that the Archdiocese and/or affiliated or related entity is a charitable organization and that in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

V. Prohibited Behaviors. Employees of the Archdiocese of Miami or any of its affiliated entities should avoid putting themselves in a position that might present a conflict of interest or even the appearance of a conflict of interest. Such a situation can call into question one's integrity and professional conduct and does not support the stewardship of Church resources that is expected of those who serve the Church. One should avoid even the perception of a conflict of interest by not engaging in prohibited behaviors, including but not limited to:

1. Accepting gifts, travel, entertainment beyond items of modest, nominal value;
2. Accepting gifts or favors of any value from individuals or vendors with whom the Archdiocese and/or its affiliated or related entities are considering, or are engaged in, purchasing goods or services;
3. Awarding contracts or business agreements to Related Parties for their or the Related Parties personal or business gain at the expense of the Archdiocese and/or its affiliated or related entities;
4. Awarding or receiving loans from the Archdiocese and/or its affiliated or related entities;
5. Using confidential information for personal gain or for personal or business gain of Related Parties.

Engaging in prohibited behaviors may result in disciplinary action up to and including termination from employment.

Initial: August 1, 2011
Current: August 1, 2011



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DISCLOSURE REGARDING CONFLICT OF INTEREST

At this time, I, _____, am a

_____an employee of the Archdiocese /entity

_____volunteer serving the Archdiocese/entity

This is to certify that I, except as described below, am not now nor at any time during the past year have been:

1. A participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party; doing business with the Archdiocese and/or its affiliated entities which has resulted or could result in personal benefit to me.
2. A recipient, directly or indirectly, of any salary payments or loans or gifts of any kind or any free service or discounts or other fees from or on behalf of any person or organization engaged in any transaction with the Archdiocese and/or its affiliated entities.
3. Any exceptions to 1 or 2 above are stated below with a full description of the transactions and of the interest, whether direct or indirect, which I have (or have had during the past year) in the persons or organizations having transactions with the Archdiocese and/or its affiliated entities.

Exceptions:

Date: _____

Signature: _____

Printed name: _____