

## THE LUTHERAN CHURCH—MISSOURI SYNOD CONFLICT OF INTEREST POLICY

The 2016 *Handbook Bylaw 1.5.2* included below requires disclosure of any Conflicts of Interest.

1.5.2 Every board or commission member, officer, and all staff of corporate Synod and every agency of the Synod shall avoid conflicts of interest as described in this bylaw.

(a) Every agency shall implement the synodwide conflict-of-interest policy, and that policy shall be applicable to them and all staff operating under them. This policy shall include the following provisions:

(1) Every board or commission member shall disclose to the chairman of the agency and all staff shall disclose to the chief executive or executive director of the agency any potential conflicts of interest. Each chairman or chief executive or executive director shall disclose personal potential conflicts of interest to the appropriate board or commission.

(2) Such disclosures shall include board membership on, a substantial interest in, or employment of the individual or a relative by any organization doing business with corporate Synod or any of the agencies of the Synod.

(3) Every board or commission member, officer, and all staff of corporate Synod and every agency of the Synod who receives honoraria or payments for any sales or services rendered to corporate Synod or any of the agencies of the Synod shall disclose such information.

(4) All such disclosures shall be reported to the respective board or commission to determine by a vote of its remaining impartial members whether an inappropriate interest exists, and such vote shall be recorded in its official minutes. In the case of officers, all such disclosures shall be reported to the President of the Synod to determine whether an inappropriate interest exists.

(b) Responsibilities shall be carried out in a manner reflecting the highest degree of integrity and honesty consistent with the Scriptures, the Lutheran Confessions, the Constitution, Bylaws, and resolutions of the Synod, the policies of corporate Synod and the agencies of the Synod, and civil laws.

(1) Activities shall not be entered into which may be detrimental to the interests of the Synod. Any inappropriate activity shall cease or the position will be vacated.

(2) Information acquired in the course of carrying out duties of the Synod shall not knowingly be used in any way that would be detrimental to the welfare of the Synod.

(3) No one shall vote on any transaction in which the individual might receive a direct or indirect financial gain.

(4) The Board of Directors shall establish policy regarding the acceptance of gifts, entertainment, or favors from any individual or outside concern which does or is seeking to do business with corporate Synod or the agencies of the Synod.

(c) Individuals, prior to accepting elected, appointed, or staff positions, shall initially and annually thereafter sign statements stating that they have received, understand, and agree to abide by this bylaw and the Synod's conflict of interest policy.

The acceptance of gifts, entertainment, or favors from any individual or outside concern which does or is seeking to do business with the Synod or the agencies of the Synod is governed by the following policy: Each agency of the Synod and corporate Synod shall maintain a policy regarding the acceptance of gifts, entertainment, or favors from any individual or outside concern which does or is seeking to do business with the Synod or the agency which at a minimum complies with the following:

Employees who are offered gifts, entertainment or favors because of their positions should not feel any entitlement to accept and keep such business courtesies. Although the individual may not use his/her position to obtain business courtesies, and must never ask for them, he/she may accept unsolicited

business courtesies that promote successful working relationships and good will with the firms that Synod or the synodical agency maintain or may establish a business relationship with.

Employees who award contracts or who can influence the allocation of business, who create specifications that result in the placement of business or who participate in negotiation of contracts must be particularly careful to avoid actions that create the appearance of favoritism or that may adversely affect the Synod's and/or the synodical agency's reputation for impartiality and fair dealing. The prudent course is to refuse a courtesy from a supplier when involved in choosing or reconfirming a supplier or under circumstances that would create an impression that offering courtesies is the way to obtain the business.

Employees may accept occasional meals, refreshments, entertainment and similar business courtesies that are shared with the person who has offered to pay for the meal or entertainment, provided that: They are not inappropriately lavish, unethical, or excessive unless approval is obtained from an officer of the agency or entity.

The courtesies are not frequent (more than three per year) and do not reflect a pattern of frequent acceptance of courtesies from the same person or entity.

The courtesy does not create the appearance of an attempt to influence business decisions, such as accepting courtesies or entertainment from a supplier whose contract is expiring in the near future.

The employee accepting the business courtesy would not feel uncomfortable discussing the courtesy with his or her manager or co-worker or having the courtesies known by the public.

All elected, appointed, or staff persons shall initially and annually thereafter sign this statement stating that they have received, understand, and agree to abide by the Synod's conflict of interest policy as stated in the above bylaw and policy statement.

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Print Name

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Title/Board/Commission/Committee

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Signature

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Date