

Appendix I

Knights of Columbus Councils Conflict of Interest Guidance Summary

(A complete copy of the Knights of Columbus Councils Conflict of Interest Guidance can be accessed on the Officers' Desk Reference).

Officers of Knights of Columbus Councils hold their positions under the *Charter, Constitution and Laws of the Knights of Columbus*. Every officer should be aware that applicable state law imposes on officers of Councils duties of care, good faith, and loyalty to the Council. In order to facilitate an understanding of these obligations, and based on experience from circumstances in which conflicts have arisen, the Office of the Supreme Advocate has prepared this Conflict of Interest Guidance Summary.

1. **Officers' Duty.** The duties of care, good faith and loyalty to the Council require each officer to pursue the interest of the Council rather than his own or another entity's interests in connection with decisions made on behalf of the Council. If an officer has duties of care, good faith or loyalty to another entity with regard to such decisions, he has a potential conflict of interest.
2. **Conflict of Interest Disclosure Form.** It is suggested that each officer of the Council shall annually sign, and provide to the Financial Secretary by January 15th, a Conflict of Interest Disclosure Form; the Council shall retain the annual Conflict of Interest Disclosure Forms for seven years; and the Council's Financial Secretary shall retain a hard copy of the Knights of Columbus Councils Conflict of Interest Guidance as a permanent Council record which shall be made available to every Council officer and member upon request.
3. **Consideration of a Conflict of Interest.** In order to oversee compliance with the Conflict of Interest Guidance, a Council may establish a Conflict of Interest Committee which shall consist of the Council's Board of Trustees, in accordance with Section 145 of the Laws of the Order, who will make determinations regarding whether an actual conflict of interest exists. The Conflict of Interest Committee may make the determination in accordance with the procedure established in the Knights of Columbus Councils Conflict of Interest Guidance. If such a committee has not been established, the Grand Knight may consider the issue himself in consultation with two other non-conflicted officers. If the Grand Knight discloses a potential conflict of interest, a non-conflicted officer should replace the Grand Knight in consideration of the matter.
4. **Other Conflict of Interest Disclosure.** It is further suggested that if a potential conflict of interest arises for an officer during the course of the year, he shall disclose that fact to the Grand Knight, who shall refer the matter to the Conflict of Interest Committee, if one has been established, or consider the issue himself as set forth above if a committee has not been established.
5. **Five Assessment Factors.** For Councils affiliated with Home Corporations, in determining whether a conflict of interest exists, the Conflict of Interest Committee, or the Grand

Knight together with two non-conflicted officers, may undertake a serious assessment of how that relationship supports the Council in its fulfillment of the core mission of the Knights of Columbus by evaluating the following five leading indicators that a Home Corporation's problems are substantially impacting a Council's ability to carry out its core mission:

- a. *Whether the majority of council members' time, resources, and attention are devoted to addressing the problems and concerns of the Home Corporation whose facility it uses.*
- b. *Whether a Home Corporation's property tax obligation, utility bills, liability insurance premiums, and other expenses are so burdensome that it is forced to charge the council and its members a disproportionate rent or other fees that may exceed fair market rents of similar facilities in the area.*
- c. *Whether a Home Corporation struggles to find suitable rentals to pay its bills because of competition from modern professional banquet halls and hotel facilities in the same area.*
- d. *Whether the local reputation of the Knights of Columbus is defined more by non-Knights of Columbus rentals of a Home Corporation's facilities than by the Order's charitable and evangelical mission.*
- e. *Whether there is such strife, factionalism, and outright conflict among members concerning the Home Corporation that the Order's principle of Unity is broken and the council is unable to effectively carry out its essential mission and attract new members.*

6. Determination of a Conflict of Interest. Where a Council establishes a Conflict of Interest Committee, such committee may determine whether a conflict exists, and if so, whether a conflict disclosure should be made, prior to any vote by the Council or its officers on the transaction. Where no such committee has been established, the Grand Knight together with two non-conflicted officers may make such a determination.

7. Purpose of Guidance. The purpose of the Guidance and of establishing a Conflict of Interest Committee is to encourage each Council to operate in a manner consistent with fraternal and charitable purposes that does not jeopardize its tax exempt status.

Knights of Columbus Councils
Conflict of Interest Disclosure Form

Name: _____

Position (trustee/officer/member): _____

Please describe below any relationships, transactions, positions you hold (volunteer or otherwise), or circumstances that you believe could create a conflict of interest between your duty of care, good faith and loyalty to the Council and your similar duty to another entity involved in a transaction with the Council.

_____ I have read the conflict of interest guidance

_____ I have no conflict of interest to report

_____ I have the following conflict of interest, or possible conflict of interest to report:

1. _____

2. _____

3. _____

I acknowledge that I have an ongoing duty of care, good faith, and loyalty to the Council and I agree to disclose a conflict of interest, if one should arise during the year, after I have signed this Conflict of Interest Disclosure Form.

I hereby certify that the information set forth above is true and complete to the best of my knowledge.

Signature: _____

Date: _____