Updates from the Advocates

The Supreme Advocate’s Office notified us of recent updates to the ODR. Five of the updates are now found in the ODR, and for those of you with secured ODR access, I encourage you to read and study those updates. Here is a summary of those updates.

***Summary Suspension Update: Checklist to Determine if Summary Suspension Appropriate***

Section 166 of the Laws of the Order has always authorized the State Deputy—or a District Deputy—to summarily suspend a member or council officer whenever it appears that the member or council officer has violated any laws of the Order. Summary suspension can take place in lieu of a trial; a member or council officer who is summarily suspended has no right to a trial. The Supreme Advocate’s Office has created a checklist to assist State Deputies and District Deputies in determining whether summary suspension is appropriate:

1. *Has fraternal correction been tried?* Apart from serious cases that may require immediate summary suspension, the most effective remedy is often fraternal correction. Fraternal correction is a process rooted in Charity whereby an officer of the council, the council chaplain, or an authorized council member discreetly points out the offending member’s misconduct and counsels him on how he might change his behavior and repair the harm he has done.
2. *Is the offending member’s conduct sufficiently serious that it requires his immediate removal from the Knights of Columbus?* In other words, is removal from the Order the appropriate punishment for the offense at issue. Fraternal Charity requires us to consider all possible methods to rehabilitate a brother knight. The summary suspension process is ordinarily reserved for situations that require immediate action.
3. *Is there sufficient credible evidence to support the conclusion that the member has committed the misconduct of which he has been accused?*  It is not necessary for the State Deputy to prove misconduct beyond a reasonable doubt. However, there must be a reliable factual basis to support each charge of misconduct whenever it shall appear to the State Deputy that a member has violated the Laws of the Knights of Columbus.

If the answers to all three questions is ”yes,” then then the State Deputy and District Deputy can proceed with summary suspension. A member or council officer who is summarily suspended may appeal the suspension to the Supreme Board of Directors.

***Safe Environment Update***

It has been the policy of the Knights of Columbus that all members selected to serve as council youth ministers must satisfy their diocesan safe environment requirements. All Texas dioceses also require that any KofC member who works with any vulnerable person must satisfy diocesan safe environment requirements. Supreme recently expanded this requirement with a safe environment program of its own, aimed at councils with Squires programs.

To assist the Order, Supreme has now established an Office of Youth Protection designed to assist members and dioceses in protecting vulnerable persons served within the Church. The Office of Youth Protection helps manage relationships between councils and local parishes and dioceses. It also monitors compliance and works to preserve the integrity of the Knights of Columbus safe environment programs. For questions regarding the Office of Youth Protection, please send your inquiries to oyp@kofc.org.

***Media Publicity & Council Public Relations***

Supreme’s publicity gurus have compiled one of the best summaries on how to put together a news story with guidelines on how to submit to Supreme for possible publication in the *Columbia Magazine*. I would encourage all council and Texas State Council Communications Directors to review and obtain the entire Media Publicity and Council Public Relations link that has been placed on the ODR. It is well written, easy to read, and provides excellent tips and suggestions.

The topics of this new update include:

* How to Recognize a News Story
* The Mechanics of Public Relations and Publicity
* Council Website and Monthly Council Newsletters
* Press Release Templates
* Tips for Better Photographs
* Photograph Guidelines
* *Columbia Magazine* and Knights in Action Submissions
* *Knightline*
* Media Inquiries

These topics are highly informative and provide councils leaders—primarily communications directors—with the necessary tools to put together an effective communications programs for your councils. The insights for council websites and newsletters are informative and on point.

***PayPal Update & Electronic Banking***

Computers and mobile devices have revolutionized financial transactions, making online banking routine. While councils and assemblies now have many options when it comes to electronic transactions, like everything else financial, caution and precise record keeping are essential. This update provides additional guidance on electronic banking.

Acceptable Forms of Electronic Banking:

* **e-Banking services** - Offered by brick-and-mortar traditional banks where councils and assemblies keep their regular bank accounts, these services allow councils and assemblies to view balances, debits, and credits in real-time; to instantly transfer money between accounts; to receive bank statements electronically rather than through the mail; and to issue checks on-line without having to write them out by hand.
* **Merchant accounts and internet merchant accounts.** These are bank accounts that allow organizations to accept payments by debit or credit cards. Banks usually offer these account services for a fee, and such accounts have the benefit of being safe, reliable, and subject to bank privacy laws. Councils and assemblies may not use third party services like CyberSource or Authorize.net.
* **Online money transfer services.** PayPal, Android Pay, and other online money transfer services have become popular, trusted, and frequently used payment services. While e-banking and merchant accounts are operated through regulated banking institutions, online money transfer services like PayPal, Android Pay and others are loosely regulated by financial industry laws. PayPal and Android Pay may be used by councils and assemblies only to pay bills from a connected brick-and mortar-bank account and not a credit card account. Such transactions can be verified instantly by a bank statement. Online money transfer services may not be used at this time to receive money into council or assembly accounts because these transactions cannot be verified by a bank statement until the money is manually transferred from the online money transfer service to the bank.

Prohibited Forms of Electronic Banking:

* **No Text Message or Mobile Banking** – Supreme is not authorizing councils or assemblies to use mobile payments where money is transferred by text message (SMS payments), direct mobile billing, or mobile web payment. Such transactions are too difficult to verify.
* **No On-Line Savings Accounts -** Councils and assemblies also are prohibited from opening purely on-line savings accounts such as those offered by Ally, Emigrant, CapitalOne, and many others. Since online savings accounts must be tied electronically to an existing account at a brick-and-mortar bank and are accessible only through the internet or by mobile device, the risk of losing sign-in access to the account is too high when there is a change of council or assembly officers

No matter which authorized method of electronic banking, bill payment, or dues collection that councils and assemblies choose, all transactions must be reported in accordance with the Laws of the Order. That means that electronic statements must be produced and the Grand Knight, Treasurer, Financial Secretary, and Trustees, and their assembly counterparts, each must exercise their respective duties to review transactions carefully.

***Revisions to Home Corporation Policy & Conflict of Interest Acknowledgement.***

As councils and home corporations work to implement Supreme’s policy regarding home corporations, the Supreme Advocate’s Office is actively revising the policy as certain situations continue to arise. The latest revisions can be found in the *Handbook for Councils Using Home Corporation Facilities*, edition 10-16. The newest revisions include a conflict of interest guidance provision that ALL councils—regardless of whether they have a home corporation—should consider implementing. This provision originally grew out of situations where the Grand Knight and council officers also serve as home corporation officers. In these situations, the individuals holding these offices may be conflicted and could question where their real loyalty lies.

In my years of service as State Advocate, I have encountered several significant conflict of interest situations—some which did NOT involve councils with home corporations. What all these situations had in common was council officers knowingly approving expenditures of council funds where one or several council officers benefitted or profited personally.

In my opinion, this conflict of interest guidance and acknowledgement should be reviewed, considered and executed by all council officers in all councils, regardless of whether the council has a home corporation. The conflict of interest guidance and acknowledgement is now posted on the Texas State Council website, and I encourage all District Deputies to cover these guidelines with their councils. The main points of this conflict of interest policy:

* Officers of Knights of Columbus Councils hold their positions under the *Charter, Constitution and Laws of the Knights of Columbus*. State law imposes duties of care, good faith, and loyalty on all council officers towards their Council. Once formally installed, council officers have a legal and moral primary duty of loyalty to the council and to the Order.
* The duties of care, good faith and loyalty to the Council require each council 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.
* Appendix I of the home corporation policy contains a Conflict of Interest Disclosure Form and is now posted on the Texas State Council website. The Supreme Advocate recommends that each council officer 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 District Deputy, Council officer or member upon request.
* 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. Any questions that council officers or members may have regarding potential conflicts of interest should also be referred to the District Deputy for advise and counsel.
* It is also recommended that if a potential conflict of interest arises for a council officer during the course of the year, that officer shall disclose that fact to the Grand Knight or District Deputy, 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.

The purpose of this Conflict of Interest Guidance and acknowledgement is to encourage each Council to operate in a manner consistent with fraternal and charitable purposes that does not jeopardize the Council’s tax exempt status.