

# *Model*

**[Synod]**

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## **Operational Ethics Policy**

This Operational Ethics Policy addresses conflicts of interest and business ethics but does not include the other ethical values and policies of the       [Synod]       of the Evangelical Lutheran Church in America.

1. Each person who is a director (Synod Council member), officer, committee member or employee (all referred to below as “Synod Representative”) of the       [Synod]       shall exercise good faith and best efforts in the performance of his or her duties to the synod and all entities affiliated with the synod. In all dealings with and on behalf of the synod, or any affiliated entity, these Synod Representatives shall be held to a standard of loyalty and honest and fair dealing with the synod and its affiliated entities.
2. No Synod Representative shall use his or her position, or knowledge gained therefrom, so as to create a conflict, or the appearance of a conflict, between the interests of the synod or any affiliated entity and the other interests of such Synod Representative. In all matters affecting the synod or any affiliated entity, no Synod Representative shall take any position or engage in any act that could adversely affect the synod or any affiliated entity.
3. No Synod Representative shall accept any material compensation, gift, or other favor that could influence or appear to influence such person's actions affecting the synod or any affiliated entity.<sup>1</sup> Each Synod Representative should promptly disclose to the bishop, an officer of the synod, or a committee chair (and as appropriate to the board or committee) any gift, employment, activity, investment, or other interest that might compete or conflict, or appear to compete or conflict, with the interests of the synod or any affiliated entity. At the discretion of an officer or committee chair, the matter may be referred to the Synod Council or Executive Committee.
4. No Synod Representative should vote, or be counted in determining the quorum for any vote, on any transaction between the synod and any other corporation, firm, association, or other entity

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<sup>1</sup> Occasional *de minimis* gifts of less than \$75.00 value, such as flowers or foodstuffs, are exempt from this rule. Gifts that primarily benefit the synod and not an individual, such as gifts of hospitality that may be given to the synod by hotels in relation to official synod business, are exempt from this rule. Persons also may participate in reasonable, normal relationship-building activities, such as meals or entertainment events.

in which such Synod Representative has a direct or indirect substantial financial interest. Any such duality of interest should be disclosed by the Synod Representative to the other appropriate Synod Representatives as applicable and made a matter of record. In addition to refraining from voting, no Synod Representative should participate in the deliberations or use personal influence in the matter. Any transaction that involves a Synod Representative should be at least as fair and reasonable to the synod as a transaction involving independent parties.

5. For the purposes of Section 4, a Synod Representative is deemed to have a direct or indirect substantial financial interest in any corporation, firm, association, or other entity in which such person, or such person's parents, spouse, or all descendants of either of such person's parents or such person's spouse have an aggregate, beneficial, equity interest of one percent or more.

6. If a question exists as to the substantiality or significance of a financial interest or conflict and the appropriate action by the Synod Representative in light of the interest or conflict, the Synod Representative should seek advice from members of the Synod Council Executive Committee.

7. After adoption, and then on an annual basis, the secretary, or other person designated by the Synod Council, shall send a copy of this policy to each director, officer, committee member and employee of the synod. All new Synod Representatives should be given a copy of the policy. Such delivery may be electronic. The synod also shall work to make this policy accessible through other methods, such as on the synod website.

8. It shall be the duty of each Synod Representative to inform the Synod Council or other appropriate person or body of any conflicts of interest in a timely fashion. No Synod Representative, in his or her capacity as such, shall act as, or represent that he or she is, an agent of the synod or any affiliated entity, unless specifically authorized to do so by the Synod Council.

9. A Synod Representative has a duty to disclose all breaches of this policy. There will be no retaliation for good faith complaints, reports, or participation in an investigation.

10. Violation of the policy may result in termination from the synod position, as appropriate.

Adopted by Synod Council   [DATE]