

Conflict of Interest Guidelines



Parishes can be considered as Not-for-Profit, or Christian charitable organizations. The Corporation (the Churchwardens) has various overlapping obligations and bodies to whom they are accountable. Aside from their Christian obligation to God and to temporal stakeholders, they have additional accountability. Boards and officers have legal duties of honesty, diligence and prudence.

A not for profit or Christian charity as a “ministry initiated and sustained by God”¹ has a mandate to conduct all of its business in a manner with is both in fact and perception above reproach. A conflict of interest policy is one way in which parishes can achieve this level of transparency in their dealings.

What is a Conflict of Interest?

A conflict of interest occurs when a benefit is derived either directly or indirectly as a result of a relationship or position which provides a material personal advantage or privilege. The relationship could be through family or friendship, or through groups or corporations in which one has a controlling interest. A conflict of interest arises when private interests or personal considerations affect a decision or an individual’s judgement when acting in the interests of the parish.

Avoidance of conflict of interest or the appearance of a conflict of interest is part of a director’s or officer’s duty of loyalty and care, a duty by which Churchwardens, as officers and directors, are bound. A Churchwarden’s fiduciary duty requires him/her to refrain from acting in a self-serving manner or from allowing friends or family members to derive a benefit or advantage from their relationship.

Churchwardens as part of their duties are frequently required to hire staff, let contracts, dispose of real property and make significant purchases on behalf of the parish. The potential for a conflict of interest exists and strategies must be put in place which can help avert the occurrence.

Avoiding Conflict of Interest:

In matters involving the hiring of paid staff, Churchwardens, family members of Churchwardens, parish clergy and family of parish clergy should not be eligible for these positions. At Vestry meetings and parish councils paid staff must refrain from voting.

When licensed trades are hired or outside contracts are let these are to be at “arm’s length” from those making the final award. This would include, but is not limited to, engaging a realtor, retaining a solicitor or appointing an auditor. Best practices indicate that the use of parishioners in these

¹ CCCB Bulletin Issue 3 – 2007, Page 4

matters if not leading to conflict of interest can lead to boundary issues in circumstances when business matters go awry and pastoral intervention is then required. It follows that the same would be true in the purchase of furniture, fixtures, equipment or other significant acquisitions. Those present on a committee must declare it if they have a conflict of interest when preparing a request for a tender or negotiating with a supplier. To demonstrate transparency the rationale for procurement decisions should be documented by the churchwardens when a final award is made.