

DATE ADOPTED BY THE BOARD: 11.12.2012

POLICY SET: Governance

POLICY NUMBER: I.C.5.

NAME OF POLICY: Conflict of Interest

POLICY PURPOSE: Explain how Empowered Persons shall avoid any conflict between their personal, professional, or business interests and the interests of the Congregation.

DEFINITIONS:

AN EMPOWERED PERSON includes Board members, paid staff and Members empowered to use Congregational resources.

A DIRECT OR INDIRECT INTEREST in a transaction exists when an Empowered Person has an interest in or a relationship with an individual or organization that proposes to enter into a transaction with the Congregation, including but not limited to, any of the following transactions:

- the sale, purchase, lease, or rental of any property or any other asset.
- employment or rendition of services, personal or otherwise.
- the award of any grant, loan, contract, or subcontract.
- the investment or deposit of any funds of the Congregation.

AN INDIRECT INTEREST in a transaction occurs when any of the following exist:

- The Empowered Person has a material interest in, or is a general partner in another entity that is a party to the transaction.
- The Empowered Person is a director, officer or trustee of another entity that is a party to the transaction.
- A family member of the Empowered Person is a party to the transaction. A family member shall include, but is not limited to, a spouse, domestic partner, child, sibling or parent.

I. C.5. Conflict of Interest

A. Employment of Board Members

1. A member of the Board of Trustees shall not also be a member of the Congregation's paid staff.
2. A family member of a Board member, as defined above, shall not be a member of the Congregation's paid staff.

B. Two family members, as defined above, shall not serve on the Board of Trustees simultaneously.

C. Members of the Board of Trustees shall not accept gifts, loans or pledges of behavior that could be interpreted as attempting to inappropriately influence any action taken by them on behalf of the Congregation.

D. No Empowered Person shall use or influence the use of the Congregation's financial, personnel, or other resources for personal benefit, or for any purpose other than the achievement of the ends of the Congregation.

E. The Chair or Vice Chair shall assure that contracts for consulting services protect the Board of Trustees from conflicts of interest on the part of the consultant.

F. An Empowered Person who has a direct or indirect interest, as defined above, shall give notice to the Board of Trustees that he or she is an interested party.

G. If a person gives notice that he or she is an interested party or if the Chair or Vice Chair becomes aware that a possible conflict of interest exists, the Board shall take action within 30 days.

H. The Board shall determine if a conflict of interest exists. The person with a possible conflict may present a statement in person or in writing. The Board shall then deliberate in executive session without the interested party being present.

I. The Board shall decide if the proposed transaction is just, fair, and reasonable given the disclosure. It shall also consider whether an equally advantageous transaction or arrangement can be obtained with an individual or entity that would not present a conflict of interest.

J. Any determination concerning a conflict of interest shall promptly be communicated to the interested party. If the Board determines that a conflict of interest exists concerning a proposed transaction or arrangement, the interested person shall refrain from attempting to exert any influence on the Board to affect a decision in the matter. Depending on the seriousness of the conflict, possible responses include:

1. Disclosure: The minutes of the Board meeting shall record that a Board member has a conflict of interest, but the proposed transaction was considered to be just, fair, and reasonable. The affected Board member may then continue to participate and vote as usual.
2. Recusal: The Board member shall disclose the conflict and withdraw from the meeting while the item is under discussion or vote.
3. Resignation: The Board member shall resign from the Board.
4. Removal: The Board shall remove the Board member from the Board of Trustees.

K. The Board Chair shall assure that Empowered Persons are informed of this policy annually.

1. Board members and paid staff shall sign an annual acknowledgement of receipt of this policy. Other Empowered Persons shall be informed in writing.

2. Empowered Persons shall promptly disclose any involvements with individuals, organizations, or vendors that might cause, or might reasonably be seen as likely to cause, a conflict of interest.