

Conflicts of Interest Policy

1) Overview

- a. As a ministry initiated and sustained by God, Ebenezer Bible Fellowship Church (EBFC) has a mandate to conduct all of its affairs decently and above reproach both in the sight of God and man. That accountability includes a commitment to operate with the highest level of integrity and to avoid conflicts of interest.
- b. As a nonprofit, tax-exempt entity, EBFC depends on charitable contributions from the public. Maintenance of its tax-exempt status is important both for its continued financial stability and for the receipt of contributions and public support. Therefore, the IRS and state corporate and tax officials view the operations of the Bible Fellowship Church as a public trust, accountable to both governmental authorities and members of the public.
- c. Among EBFC's, Board of Elders, Deacon Board and employees, there exists a fiduciary duty, which carries with it a broad and unbending duty of loyalty. The Boards and employees are responsible for administering the affairs of the Bible Fellowship Church honestly and prudently, and for exercising their best care, skill, and judgment for the sole benefit of EBFC. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with EBFC or knowledge gained there from for their personal benefit. The interests of EBFC must have the first priority, and all purchases of goods and services must be affected on a basis that secures for EBFC full competitive advantages as to product, service, and price.

2) Persons Concerned

This statement is directed to the Board of Elders, Deacon Board and employees annually designated by the Boards who influence the actions of EBFC or its Boards, or make commitments on their behalf. For example, this would include all who make purchasing decisions, all other persons who might be described as "management personnel," and all who have proprietary information concerning EBFC.

3) Areas in Which Conflicts May Arise

Conflicts of interest may arise in the relations of members of the Boards or employees with any of the following third parties:

- a. Persons or entities supplying goods and services to EBFC.
- b. Persons or entities from which EBFC leases property and equipment.
- c. Persons or entities with whom EBFC is dealing or planning to deal in connection with the gift, purchase, or sale of real estate, securities, or other property.
- d. Other ministries or nonprofit organizations that affect the operations of EBFC.
- e. Donors and others supporting EBFC.

4) Nature of Conflicting Interest

A material conflicting interest may be defined as an interest, direct or indirect, between any person or entity mentioned in Section 3, and a member of the Boards or an employee, which might affect, or might reasonably be thought by others to affect, the judgment or conduct of member of the Boards or employee of EBFC. Such an interest might arise through:

- a. Owning stock or holding debt or other proprietary interests in any third party dealing with EBFC.

- b. Holding office, serving on the Boards, participating in management, or being otherwise employed (or formerly employed) in any third party dealing with EBFC.
- c. Receiving remuneration for services with respect to individual transactions involving EBFC.
- d. Using EBFC's personnel, equipment, supplies, or goodwill for other than EBFC-approved activities, programs, and purposes.
- e. Receiving personal gifts or loans from third parties dealing with EBFC. (Receipt of any gift is disapproved except gifts of nominal value, which could not be refused without discourtesy. No personal gift of money should ever be accepted.)
- f. Obtaining an interest in real estate, securities, or other property that EBFC might consider buying or leasing.
- g. Expending staff time during EBFC's normal business hours for personal affairs to the detriment of work performance for EBFC.

5) Indirect Interest

As noted above, conflicting interests may be indirect. A member of the Boards or employee will be considered to have an indirect interest in another entity or transaction if any of the following also have an interest:

- a. A family member of a member of the Boards or employee. (Family member is defined for these purposes as all persons related by blood or marriage.)
- b. An estate or trust of which the member of the Boards or employee or member of his family is a beneficiary, personal representative, or trustee.
- c. A company of which a member of the family of the member of the Boards or employee is an officer, director, or employee, or in which he has ownership or other proprietary interests.

6) Interpretation of This Policy

- a. The areas of conflicting interest listed above and the relations in those areas which may give rise to conflict, are not exhaustive. Conceivably, conflicts might arise in other areas or through other relations. It is assumed that the members of Boards and employees will recognize such areas and relation by analogy.
- b. The fact that one of the interests described in Section 4 exists does not necessarily mean that a conflict exists, or that the conflict, if it exists, is material enough to be of practical importance, or if material, that upon full disclosure of all relevant facts and circumstances that it is necessarily adverse to the interests of EBFC. However, it is the policy of the Board of Elders that the existence of any of the interests described in Section 4 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of members of the Boards and employees to scrutinize their transactions with outside business interests and relationships for potential conflicts and to immediately make such disclosures.
- c. Disclosure should be made to the Chairman of the Elder Board (or if he is the one with the conflict, then to the Treasurer of EBFC), who shall bring these matters to the attention of the Board of Elders. The Board of Elders shall then determine whether a conflict exists and is material, and in the presence of an existing material conflict, whether the contemplated transaction may be authorized as just, fair, and reasonable as to EBFC. The decisions on these matters are the sole discretion of the Board of Elders. The Board of Elders' first concern must be the welfare of EBFC and the advancement of its purposes.

Certification

I have carefully read the foregoing Statement of Policy concerning Conflicts of Interest and the accompanying Resolution of EBFC Board of Elders. In signing this certificate, I have considered not only the literal expression of the policy, but also its intents. I hereby certify that, except as hereinafter stated, I do not, to the best of my knowledge: (1) have any of the relations with any person or firm of the classes listed above; and (2) I have no interests conflicting with the interests of EBFC, nor do I have any relationship that may appear conflicting.

THE EXCEPTIONS ARE:

If any situation should arise in the future which I believe may involve me in a conflict of interest, I will promptly and fully disclose the circumstances to the Chairman of the Board of Elders or Treasurer, directly or through my immediate superior.

(Signature)

(Date)

Related-Party Board Resolution

RESOLVED, that in order to assist EBFC in avoiding harm from conflicts of interest between EBFC, its board members or management staff, the following conflict of interest policy is hereby adopted. It is hereby established as the policy of EBFC that Related-Party Transactions (as defined below) must meet the following requirements:

- a. For the purposes of this Policy, the term “Related Party” shall mean any member of the Bible Fellowship Church Elder or Deacon Boards, or Employee of EBFC, or any relative of any such person within the second degree, whether related by blood or marriage, and any organization in which any such person(s) is an owner, partner, or shareholder.
- b. In addition, for the purposes of this Policy, the term “Related-Party Transaction” shall mean any relationship between EBFC and a Related Party pursuant to which EBFC or any of its Departments is to pay compensation for services, materials, or products.
- c. If the transaction is one that would lend itself to competitive bidding, the responsible individual shall obtain not less than two (and preferably three or more) competing bids or proposals to provide the desired products and/or services. In soliciting and accepting such bids or proposals, the responsible individual shall not provide any person who is solicited to bid or who actually bids on the contract with access to any information contained in any of the bids of others until after the contract has been awarded by EBFC Board of Elders, Board of Deacons or any other EBFC party. Any information given to or any questions asked of any bidder shall be given to or asked of each and every other bidder. It shall be noted, however, that the contract does not necessarily have to be awarded to the person making the lowest price bid, if responsible individual is otherwise persuaded that to contract with a person who has not made the lowest bid would be in the best interest of EBFC. A decision maker—that is, a member of the Boards or employee—should never be in a position to deal directly with a relative in a related-party transaction.
- d. A Related-Party Transaction in which a responsible individual is a Related Party must be approved by the Board of Elders prior to any commitment by the responsible part of EBFC. All of the material terms and conditions of the Related-Party Transaction shall be described in writing and provided to the Board of Elders, together with the written request for approval of any such Related-Party Transaction.
- e. Related-Party Transactions of amounts greater than \$1,000 in which any member of the Bible Fellowship Board of Elders or Board of Deacons or any employee is a Related Party shall be approved by the Board of Elders. This shall be determined by a vote of not less than a majority of the members present, without including the vote of any director who is a Related Party in the Related-Party Transaction. All of the material terms and conditions of the Related-Party Transaction shall be described in writing and provided to the Board of Elders prior to EBFC’s being committed to any such contract.
- f. Related-Party Transactions which provide for ongoing or continuing services or product sales to EBFC on an as-needed basis shall be reviewed and approved by the Board of Elders or Board of Deacons, as the case may require. This shall occur not less often than once each year, and will not require a transaction-by-transaction approval.

CONFLICT OF INTEREST/RELATED PARTY QUESTIONNAIRE

A conflict of interest may relate to you, your spouse, family members, business interests, and/or associates. Conflicts of interest may arise when one party has the ability to significantly influence the management or operating policies of the other, to the extent that one of the transacting parties might be prevented from fully pursuing the interests of EBFC rather than his/her own separate or related-party interests.

Considering the period from _____ to date:

	Yes*	No
a. I (or a party related to me) hold, directly or indirectly, a position of financial interest in an outside concern from which EBFC secures goods or services.	_____	_____
b. I (or a related party of mine) render directive, managerial, or consultative services to, or am an employee of, any outside concern that does business with EBFC.	_____	_____
c. I have accepted gifts or other benefits from any outside concern that does, or is seeking to do, business with EBFC.	_____	_____
d. I have participated in management decisions concerning transactions that affect or benefit me, my family, or my personal financial interests (other than ordinary management decisions on employment matters such as compensation).	_____	_____
e. I (or a related party of mine) have been indebted to EBFC at some time during the above stated period. If so, please note the nature, date, terms, and amount.	_____	_____
f. EBFC has been indebted to me (or a related party of mine) at some time during the above stated period. If so, please note the nature, date, terms, and amount.	_____	_____

*If you answered "Yes" to any of these statements, please provide further explanation and information on any related-party transactions.

(Signature)

(Date)