



## **Congregation Council and Endowment Board Ethics and Conflict of Interest Policy**

This Ethics Policy addresses conflicts of interest and business ethics for the First Lutheran Congregation Council and Endowment Board but does not include the other ethical values and policies of the First Lutheran Church or the Evangelical Lutheran Church in America.

1. Each person who is a Congregation Council or Endowment Board member (“Member”), shall exercise good faith and best efforts in the performance of his or her duties to the Congregation and all entities affiliated with the Congregation. In all dealings with and on behalf of the congregation, or any affiliated entity, these Members shall be held to a standard of loyalty and honest and fair dealing with the Congregation and its affiliated entities.
2. No Member 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 Congregation or any affiliated entity and the other interests of such Member. In all matters affecting the Congregation or any affiliated entity, no Member shall take any position or engage in any act that could adversely affect the Congregation or any affiliated entity.
3. No Member shall accept any material compensation, gift, or other favor that could influence or appear to influence such person's actions affecting the Congregation or any affiliated entity.<sup>1</sup> Each Member should promptly disclose to the pastor, an officer of the Congregation, 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

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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 Congregation and not an individual, such as gifts of hospitality that may be given to the Congregation by businesses in relation to official Congregation business, are exempt from this rule. Persons also may participate in reasonable, normal relationship-building activities, such as meals or entertainment events.

the Congregation or any affiliated entity. At the discretion of an officer or committee chair, the matter may be referred to the Congregation Council or Executive Committee.

4. No Member should vote or be counted in determining the quorum for any vote, on any transaction between the Congregation and any other corporation, firm, association, or other entity in which such Member has a direct or indirect substantial financial interest. Any such duality of interest should be disclosed by the Member to the other appropriate Members as applicable and made a matter of record. In addition to refraining from voting, no Member should participate in the deliberations or use personal influence in the matter. Any transaction that involves a Member should be at least as fair and reasonable to the Congregation as a transaction involving independent parties.
5. For the purposes of Section 4, a Member 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 Member, in light of the interest or conflict, the Member should seek advice from members of the Congregation Council Executive Committee.
7. After adoption, and then on an annual basis, the secretary, or other person designated by the Congregation Council, shall send a copy of this policy to each director, officer, committee member and employee of the Congregation. All new Members should be given a copy of the policy. Such delivery may be electronic. The Congregation also shall work to make this policy accessible through other methods, such as on the Congregation website.
8. It shall be the duty of each Member to inform the Congregation Council or other appropriate person or body of any conflicts of interest in a timely fashion. No Member, in his or her capacity as such, shall act as, or represent that he or she is, an agent of the Congregation or any affiliated entity, unless specifically authorized to do so by the Congregation Council or Board.
9. A Member 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 Congregation position, as appropriate.

Adopted by Congregation Council August 10, 2021