

Start or revitalize a ministry in your church

QUICK START GUIDE



CHURCH BOARD MEMBER



Quick Start Guide for the Church Board Member

Available from:
AdventSource
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AdventSource.org

Manuscript compiled by Brenda Dickerson from *Responsibilities in the Local Church*
and Church Board Member seminar outline by Alf Burch

Designer: Liv Jacobson

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Introduction

Welcome to membership on the local Seventh-day Adventist church board. You have accepted an important responsibility. The church board provides a platform for pastoral staff and church members to come together and make decisions to further the mission of the Adventist church. Being a member of such a board is a weighty and honorable task.

With such an important responsibility, persons selected must individually portray in their personal and corporate life qualities of spirituality, fairness, tact, and good judgment. In addition, board members are trustees whom the constituency believes will operate in the church's best interest. You have been chosen because your church believes you exemplify these qualities.

Church Board Membership

The church board is composed of members of the Seventh-day Adventist Church who represent a cross section of the church and its ministries. This membership may include:

- Pastor(s)
- Elder(s)
- Head deacon
- Head deaconess
- Treasurer
- Clerk
- Personal ministries leader
- Personal ministries secretary
- Men's ministries coordinator
- Publishing ministries coordinator
- Bible school coordinator
- Community services leader
- Sabbath school superintendent
- Family ministries leader
- Women's ministries leader
- Children's ministries coordinator
- Education secretary
- Home and School Association leader
- Adventist Youth Society leader
- Pathfinder Club director
- Adventurer Club director
- Interest coordinator
- Communication committee chairperson or communication secretary
- Stewardship leader
- Religious liberty leader



Board Member Job Description

Together with other members of the board a member is legally and morally responsible for all activities of the congregation. It is responsible for nurturing and promoting the vision and mission of the congregation/district. The board is responsible for determining congregational policy, developing the annual budget, and determining the goals of the congregation.

As you begin functioning as a member of the church board, you should know that your church assumes that you:

1. Are accepting this responsibility willingly. Only willing members can effectively perform the services that will be necessary.
2. Are a loyal and faithful member of this Seventh-day Adventist congregation.
3. Are faithful in your stewardship responsibilities in terms of time, talent, and financial means.
4. Will seek the Lord for divine guidance and courage to make necessary decisions.
5. Will be both ethical and professional in handling the information and decisions you will confront. You should be loyal to God, the pastor and elected leaders, and the members.
6. Will put the interests of the church above any personal interest, for only thus can selfless service be rendered to the church and to Jesus, the Lord of the church.
7. Will always remember the church's mission in making decisions.

MINIMUM REQUIREMENTS OF A BOARD MEMBER

- A demonstrated interest in the congregation's well being
- A desire to serve for at least one term
- Specific experience and/or knowledge in governance and structure
- Available time and willingness to attend all meetings and serve on at least one to two subcommittees
- Willingness to read and stay abreast of issues

Responsibilities of a Church Board

Your church will probably have an overview of the board's responsibilities. Keeping the congregation directly aligned with its vision and mission is the primary task of the board. Here is a short list of what will be included:

- Setting policy for the church
- Establishing, instituting, and supporting the mission and purpose
- Serving as fiscal agent; ensuring adequate resources and managing them
- Conducting periodic assessments and evaluations



- Conducting organizational planning
- Identifying, developing, and monitoring the programs and services
- Promoting the public image

Role of the Church Board Member

The keys for effectiveness as a church board member are respect for the process and the leader of the process – the chairperson – and respect for your fellow board members. Here are some suggestions that will enhance what you bring to the group process:

- Participate freely in the discussion, but request recognition before speaking
- Do not raise items that are not on the agenda
- Speak your convictions during the meetings, not afterward
- Carefully observe group dynamics
- Defer to the chairperson to call for a motion before making one
- Avoid calling “question” until discussion has matured sufficiently
- Present reports from the front of the room or head table. Include printed format if it is a report that has been requested by the board or is a request for funding
- Maintain a high ethical standard regarding confidentiality
- Important decisions should be announced by the chairperson or pastor – not the members

Suggestions to Enhance Your Contributions as a Board Member

The church board is committed to the success of your church. Your first task as a member is to review the list of every person on the board and identify their specific responsibility (i.e. why are they on the board). The next step is to cultivate relationships with your fellow members. Find ways to build relationships among board members so you can better understand the issues facing the board.

Your next responsibility is to learn about every aspect of board function. Read all available materials. Develop the reputation of being purposefully curious. As a board member, you owe it to yourself and your congregation to become familiar with all aspects of board stewardship. Review past board minutes and materials pertaining to your church board.

WHAT A BOARD AS A WHOLE BRINGS TO THE CHURCH

- Collective wisdom
- Continuity of policy
- Discerning questions
- Expertise
- Influence to attract resources
- Knowledge of the church and its mission



12 Keys to Effectiveness

1. **Commitment:** A deep, genuine commitment to the Lord Jesus is the most important part of your work on this board. Board members' minds are to be the link through which God communicates His will to this church. Please spend time in earnest prayer before coming to each board meeting so your mind and spirit are in tune with the Divine.
2. **Participation:** In his book *Guidelines for Committee and Board Members* (Review & Herald, 1973), Dr. Robert Firth states: "No doubt there are places where silence is golden, but not on a committee. A committee member who sits through a meeting without saying something to aid the discussion is a useless committee member. The committee meeting is a place to exchange ideas, to create new ones, to hammer ideas into solutions, or to set a course of action" (page 48).

Dr. Firth balances things, however, by cautioning against going to the other extreme: "There are those who talk a great deal at committee meetings and say virtually nothing. They might call such talking participation, but few others would. Participation assumes the making of a worthwhile contribution to the discussion."

Don't be afraid to speak your conviction or disagree with others. This involves disagreeing with anyone, including the pastor. You are only as strong as your willingness to express opinions and convictions. All church board members are equal. Every voice carries equal weight. Every vote has equal weight. Some have a wider range of knowledge, but that should not stop you from expressing your own conviction. Don't be afraid to reveal your ignorance. It is nothing to be ashamed of. Don't hold back an idea or motion because you are afraid you will be voted down. Realize now that you will win some and lose some on this board. That's democracy. Don't let a loss in support of your idea discourage you.

3. **Information:** Decisions are only as good as the information on which they are based. Insist on adequate information before you vote. It is much better to postpone a decision than to rush into something with only partial, incomplete facts. Remember that confidential information must remain within the confines of the board in executive session.
4. **Respect and Trust:** It is necessary to have an attitude of mutual respect and trust. Each member of this church board was chosen

DISRUPTIVE BOARD MEMBER MEETING BEHAVIOR

- Interrupting
- Cross talk
- Not listening
- Side conversations
- Rambling
- Tardiness
- Poor preparation
- Early departure
- Noisy distractions



because he or she has become known in your church for certain traits of leadership and areas of expertise. Unless we respect and trust one another, there will not be the free and open exchange that is necessary for good decision-making. If you have doubts and questions about the integrity or sincerity of any member of the board, including the pastor, express them to the appropriate individual and follow biblical principles. Ask questions. Clear the air. This will make the board's work a joy as friendships develop. Board members are not adversaries, but teammates trying to win for God.

5. **Honesty:** Please don't play games or seek to manipulate. Avoid hidden agendas. This can destroy trust. Be honest, straightforward, and direct.
6. **Decision Making:** Vote with your head, not your heart. Make decisions based on facts, needs, and careful thinking, rather than on emotional reactions or past experience. Avoid preconceived ideas or assumptions based on a bad experience or accumulated problems through the years. Above all, keep in mind the mission of the church in all your decisions.
7. **Cultural Sensitivity:** Filter all discussion and decisions through the viewpoint of diverse ethnic groups. Respect the historical background and special needs of others.
8. **Wounded Feelings:** Sometimes those who have never served on a board are surprised at the candor, openness, and willingness to disagree with a fellow board member. But that is one thing that makes boards effective. Effective members do not "wear their feelings on their sleeves." They present ideas they expect may be shot down rapidly. Each member tries not to become personally involved with his or her own ideas and opinions. They realize that the open discussion in the board meeting will expose weakness in arguments and ideas. This results in better decisions than those any member might develop alone. Another area of sensitivity comes from those who feel, "They never use my ideas." That isn't true! Your ideas will undoubtedly stimulate the ideas of others, and thrown into the mix of all the ideas, yours will be a part of the overall development even though your idea may not be the exact version of the finished product.
9. **Handling of Board Decisions:** When a decision is reached that involves members of the church, do not assume you are free to communicate that information. The pastor or other person assigned by the board has the responsibility of disseminating that information. Example: Suppose the board votes to make a change in leadership of a ministry of the church. You tell a friend of yours, who tells a friend, who tells the person—and the pastor has not yet made contact. You can imagine how the person will feel, getting the information through an unofficial channel instead of the proper channel. Holding your tongue may be difficult sometimes. Yet Proverbs 21:23 reminds us that guarding our words keeps us from calamity.
10. **Confidentiality of Discussions:** No member of the board should be placed in the unenviable position of having a confidential statement he or she made in the board room come back to him or her on the telephone, street, office, or anywhere. The various



viewpoints may be reported, but it is unethical to mention names. In fact, that person may have been persuaded by discussion, and ended up voting differently from ideas he or she expressed to the group earlier in the discussion.

11. **Ministry Representation:** Some people are members of the board because they represent a specific ministry of the church, such as music ministry or children's ministry. Such board members are expected to be fully informed about the ministry they represent and to make sure the board is fully informed of the way that ministry will be affected by any action or decision the board is considering. However, the members of the church board are expected to represent the best interests of the entire church, without making every decision based on the priority of what would be best for the specific ministry or group with which they might be identified. Try to see the big picture and make decisions on what is best for the church as a whole, rather than voting only the little picture. This will produce a stronger church.
12. **Support of the Majority Vote:** Quoting again from Dr. Firth: "But once a committee has given its group judgment to a problem and decided on a solution by a democratic majority vote, the dissenting individuals no longer have the right of dissent. ...The person who cannot do that has no business serving on the committee and is lacking in ethical values."

Dr. Firth is quite firm, and some even say he is being too hard. However, consider the problem should a board member tell others: "I'm sorry the board decided the way they did. I certainly don't agree and didn't vote that way." Immediately the board member has set him or herself up against the board. Loyalty involves support even though it may not have been your first choice for the board to vote the way it did.

Attendance

Attendance is very important at all board meetings. At times there will be valid reasons why you cannot attend. If that is the case, please notify the secretary or board chairperson. It is essential to try your very best to be present at each meeting. The constitution generally includes a provision for dealing with excessive absenteeism.

Protocol

The watchwords of protocol in board meetings are "courtesy" and "respect" for the chairperson and the process. Request recognition before speaking, and do not raise items that are not on the agenda or of which the chairperson has no prior knowledge. Avoid calling "question" before the discussion has matured sufficiently. Usually it is best to defer to the chair to call for a motion before making one yourself.



Notice of Meetings

You will receive a notice of the next meeting one to four weeks in advance. At its first meeting, the board should establish a particular day of the month, such as the first Tuesday or second Thursday, when the board will meet—unless a different date is voted at one board meeting for the next board meeting.

Agenda

The agenda is a very important document for the effective operation of a board. The agenda is usually developed by the pastor or pastoral staff. Any member of the board should have the opportunity to include items on the agenda as long as they are appropriate to the work of the board. It is usually wise for the board meeting agenda to be circulated several days prior to the meeting so members can come prepared to speak to the substantive issues. Well-managed boards have a specific agenda and they stick to the items on the agenda.

Subcommittees

One model of board operation is that of the subcommittee. In this model all substantive issues are initially vetted through an appropriate subcommittee. The subcommittee then makes a report to the full board with recommendations for action or changes in policy. It is important to make sure the issue is fully discussed and studied in a smaller group setting so the full board can concentrate on the larger issues. Agenda items should be submitted to the subcommittee chairperson in advance.

Budgets

Part of the work of the church board involves money. Each meeting normally includes a review of the financial statement, presented by the church treasurer. At first the statement may seem strange and unfriendly unless you have an accounting background. In time, the statement will begin to make sense and you will be able to plot the financial course of the church. Questions board members may ask include:

1. Are we meeting our budget? Ask for an explanation of significant variances.
2. Are we operating efficiently? As new systems have been added, have outmoded systems been rooted out?
3. Do we have sufficient reserves? What is the amount of working capital?
4. Are appropriate financial reports prepared and presented to the finance committee in a timely manner?
5. Do we have strong internal controls? Does the accounting system provide for the adequate separation of duties? Do the controls assure the accuracy of the financial reports?



6. Are there any tax or legal considerations of which we should be aware?
7. Are the organization's investments managed in accordance with local conference and board-approved investment policies? How have our investments fared? What adjustments, if any, should be made in how investments are handled?

Remember legitimate questions by board members do not question the integrity of the church treasurer in their job performance.

Minutes

Minutes of each church board meeting will be sent to you by mail or email, or passed out at the next meeting. You should obtain a notebook or folder for the purpose of keeping your own minutes. At times the minutes will contain privileged information, so keep this book of minutes for your eyes only. The board also needs to ensure that official minutes of each meeting or subcommittee are kept in a secure location.

Conflict of Interest

Even though most board members are not employees of the Seventh-day Adventist Church, every board member must avoid any conflict of interest that would result in personal favor or gain. An example of a conflict of interest would be encouraging and voting for the church to purchase a product or service from which you would profit, or voting for the church to discard or sell something below market value that you might acquire and use to your advantage. Board members are held to a higher standard of conduct. After reading the North American Division Policy Statement on conflict of interest, each board member must complete and sign a conflict of interest statement.

See page 16 for the North American Division's Policy Statement on conflict of interest.

Policies

Local Seventh-day Adventist churches operate in harmony with the policies of the latest edition of the *Seventh-day Adventist Church Manual*. Every church board member should have access to the manual and be familiar with its policies. Many of the recommendations of the *Church Manual* leave considerable room for local church application and interpretation, and occasionally the church board may vote to depart from a recommendation of the manual on minor matters. But when there is no clear consensus among board members that a variance is within the spirit of the manual, the *Church Manual's* recommendations should be followed.

Local churches are a part of a local conference, and as such, operate in harmony with the policies of the conference. Each church's property, the church building, and all church equipment and furnishings are held in the name of the local conference. The conference and the association are, in turn, governed by the local conference constituency, of which the members of the local Seventh-day Adventist church are members.



Board Member Indemnification

As a volunteer sharing your time and expertise with the church, you do not want to incur personal financial liability for any decisions made by the church board on which you sit. The church also desires to make sure you are protected from any personal financial liability which may arise out of your activities as a board member. As long as the actions taken and the decisions made on the church board are within the scope and function of your duties as a board member, any legal or financial responsibility that arises as a result of those decisions and actions will be protected and you will be indemnified from personal liability.

Program Evaluation

A major function of the church board is to evaluate the programs of the church. The board will review all programs and seek solutions. Programs that continue to be ineffective will be discarded, while those proving effective will be encouraged and expanded. It is also the responsibility of the church board to recognize areas of need and suggest and implement programs that will meet those needs.

Minimizing Governance Risks

Prepared by Arthur F. Blinci, ARM, eMBA, Adventist Risk Management, Inc.

Whenever a person accepts the responsibility to serve on a denominational governing board there are certain fiduciary duties that they assume as a board member. It is important for all board members to understand the importance of these duties and that board leadership adheres to maintaining these principles in all board relationships and transactions. Clearly understanding these fiduciary duties will help the board minimize its governance risks:

- **Duty of Knowledge** – Board members need to have a clear understanding of the organization’s mission, strategic goals, legal structure, by-laws and operating policies.
- **Duty of Care** – The board must hold corporate officers and staff responsible to act within professional standards and legal requirements that govern the operation of the enterprise.
- **Duty of Skill & Prudence** – The board must use its expertise to act in a prudent manner; it should be aware of the circumstances that could result from the decisions being made and anticipate both the positive and negative aspects of the actions voted.
- **Duty to Manage** – It is the board’s responsibility to elect personnel, establish policies for the organization and assure compliance with all legal requirements to which the organization may be subject.
- **Duty of Obedience** – The board must act within the precepts of its corporate charter and by-laws. Board members must be on guard for unauthorized acts and report such acts when they are discovered.
- **Duty of Loyalty** – Being a board member requires allegiance to the organization you are



serving. All board members must avoid conflicts of interest or taking actions based on inside information that may lead to personal gain or advantage. Board members need to come to board meetings prepared to engage in the discussion and act in an ethical manner at all times.

- **Duty of Confidentiality** – Maintaining confidentiality is an essential characteristic of an ethical board member. All boards should stress the importance of being able to openly discuss items of business without fear that their words will be repeated outside of the boardroom.

Professionalism in denominational board membership can best be summed up in the term “servant leadership.” As a board member we must subordinate our personal interest for the good of the organization we are serving. We must always act with integrity and in good faith for the best interest of others and to protect the organization’s reputation and the good will it has in the community. Board members need to avoid conflicts of interest that may jeopardize or compromise the decisions made and practice the highest standards of care and ethical behavior at all times.

Minimizing Conflicts of Interests

Within the denominational setting it is impossible to eliminate all potential conflicts of interest. Just because an individual may serve on more than one denominational board does not in itself constitute a conflict of interest. However, a conflict of interest may arise when: “any circumstance under which an officer, board member, employee or volunteer by virtue of financial or other personal interest, present or potential, directly or indirectly, may be influenced or appear to be influenced by any motive or desire for personal advantage, tangible or intangible, other than the success and well-being of the denomination.” (NAD Working Policy S47 05&10)

What should a board do when there is perceived conflict of interest? Manage it! All boards should require board members to sign an annual disclosure statement of any potential personal conflicts of interest they may have. There is nothing wrong for a board member to make known their potential conflicts of interest before the board engages in the consideration of a specific item of business. In fact it is unethical for a board member to remain silent concerning potential conflicts of interest they may have while serving the organization.

Once the disclosure has been made it should be documented in writing and the board should consider how they wish to proceed with the item of business in question. The board member having the conflict should voluntarily physically excuse him or herself from the meeting until the board has finished consideration of that specific business item. This means the board member will not participate in the discussion, will not vote on the matter or be present or in other ways to influence the decision making process of other board members. When the final action has been taken, it should be noted in the official records that the person with the conflict of interest was not present at the time said action was taken by the board.



Maintaining Confidential Information

Serving as a board member you will receive reports that require strict confidentiality once the decision has been made. Once an action is taken, all board members must maintain the confidentiality of the discussion or information upon which the board made its decision. The Adventist grapevine is ripe with all the juicy details of conference committee meetings, school board and church board meetings. Often times the details are circulating even before the board meeting has been adjourned. This breach of confidentiality can and has led to denominational organizations being held liable for defamation lawsuits caused by the loose lips of board members.

If you find this is a problem within your organization, the board chairperson should address it. It is inappropriate for the board to exclude members who breach confidential information from the meetings or to meet without properly notifying them of duly called board meetings. However, the board can take measures through the appropriate channels to remove an individual from board membership for continued disregard of confidentiality issues. This is a critical area of board governance that must be carefully monitored and managed in order to protect the board's integrity and effectiveness.

Other Safeguards

Protecting organizational integrity is an essential governance function. It is critical for all board members, employees and volunteers to understand that it is inappropriate for them to associate the name of the Seventh-day Adventist Church or the denominational entity with their external activities whether it is their own personal business or another business organization. This may include the use of organizational stationery for personal correspondence or other non-denominational related business purpose. The use of your organization's name, stationery or business forms by others can imply an endorsement that may create the potential for unexpected or unintended liability or financial responsibility. When such practices are discovered the individual involved should be asked to immediately cease using your organization's name.

“The Genesis of Many Accidents”

It is a privilege to serve as a board member of a denominational organization. This is a privilege that requires a commitment of service based on loyalty not only to an organization but to Jesus, our Savior, as well. “The genesis of many accidents takes place in the boardroom,” reports Marvin Rienke, retired past president of the YMCA Services Corporation. This is a sobering truism that the decisions made or the actions that a board fails to make in a prudent or timely manner may and can lead to a tragic accident or other financial failure. It is for this reason that all board members must place a high priority in maintaining the highest level of integrity at all times. Governing boards should review their fiduciary duties on a regular basis and monitor the results and consequences of their actions. To do less, is a breach of the sacred trust that has been committed to your care – safeguarding the ministries of the Seventh-day Adventist Church.

Reprinted with permission from the September 2009 issue of Adventist Risk Management, Inc. Solutions.



Final Responsibility

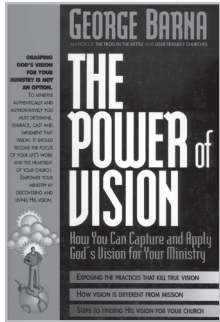
In the final analysis, it is your responsibility as a board member to review all operations of your church and to act on behalf of all the members. The church board is ultimately responsible for the spiritual nurture of the church, including evangelism in all its phases. The board is also responsible for the maintenance of doctrinal purity and upholding Christian standards. Other critical functions of the board include recommending changes in church membership and managing the finances and properties of the church.

Given such an important assignment, your dedication to the church and this position is extremely important. As you vote on issues that affect this church and its personnel and all of its outreach, please do so knowing that the Holy Spirit is beside you, ready to guide you.



Resources

The following resources are available from AdventSource. Find more resources at AdventSource.org or 402.486.8800.

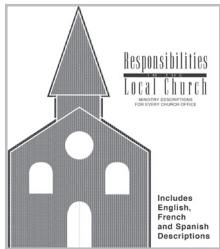


The Power of Vision

By George Barna

To minister authentically and authoritatively you must determine, embrace, cast, and implement vision. Barna takes you beyond the myths and misconceptions of vision to the heart of the matter. In this book, you will learn the practical realities of how to empower your ministry through discovering and living God's vision.

Product #416580

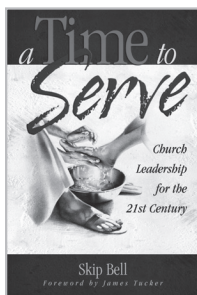


Responsibilities in the Local Church USB

Prepared by the North American Division

Responsibilities in the Local Church is a collection of 54 ministry descriptions on USB outlining the responsibilities of local church officers. These ministry descriptions can be printed and copied. Use them as information sheets for recruiting volunteers and working with the nominating committee. Hand out a ministry description sheet with each new assignment. Includes PDF files for PC and Mac.

Product #523199

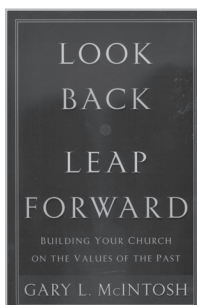


A Time to Serve

By Skip Bell

This book provides a clear understanding of the Biblical model of servant leadership, applies leadership principles in the context of real life stories, helps you develop Christian leadership practices, and empowers you to change lives.

Product #425670



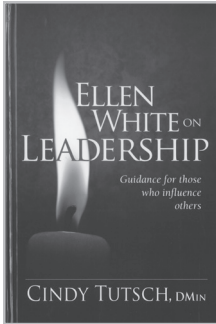
Look Back, Leap Forward

By Gary L. McIntosh

Effective long-range planning should always involve careful examination of the church's basic mission. This book reveals how studying core values from the past will encourage the development of creative vision for the future.

Product #416520



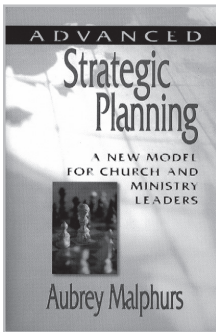


Ellen White on Leadership

By Cindy Tutsch

While Ellen White did not invent the term “servant leadership,” she put it to practice in her own life. Leaders are needed at all levels of society. This helpful book will give you special insight into the life of a servant-leader.

Product #416572

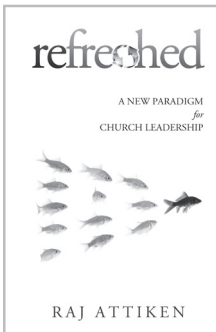


Advanced Strategic Planning

By Aubrey Malphurs

A respected leader and consultant in the field of church life and renewal, Aubrey Malphurs explains why planning is so important to carrying out the church’s mission. His answers to nine fundamental ministry questions present a method that has helped many churches articulate their vision and implement their mission.

Product #416505



Refreshed

By Raj Attiken

This is the story of the Ohio Conference’s ten-year effort to forge a fresh leadership paradigm. It is a story of a robust and respectful collaboration between Conference leaders, parish pastors, and congregational leaders. It is a story of intentional design, intended outcomes, and unintended consequences.

Product #420235



Online Resources

- **Official Seventh-day Adventist Church Statements and Guidelines**
www.adventist.org/en/information/official-statements/
- **Seventh-day Adventist Church Beliefs**
www.adventist.org/en/beliefs/
- **Tips for Taking Minutes**
www.boardeffect.com/blog/how-to-take-minutes-at-a-board-meeting/

The following resources are available online or from your local bookstore.

Carver, John. (1997). *The Effective Board Member*. San Francisco: Jossey-Bass Publishers.

Dochterman Benson, Deloris. (2011). *The Art of Taking Minutes*. Las Vegas: Lake Union Publishing.

Holland, Thomas P. & David. C. Hester, eds. (2000). *Building Effective Boards for Religious Organizations*. San Francisco: Jossey-Bass Publishers.

Olson, Charles M. (1995). *Transforming Church Boards into Communities of Spiritual Leaders*. Bethesda: the Alban Institute.

Robert III, Henry M., Daniel H. Honemann, Thomas J. Balch, Daniel E. Seabold & Shmuel Gerber. (2011). *Robert's Rules of Order Newly Revised*. Cambridge: Da Capo.



Appendix

NAD Working Policy 2008-2009

Financial—General/619-625

S 47 Conflict of Interest and/or Commitment

S 47 05 Conflict of Interest and/or Commitment Defined—

Conflict of interest shall mean any circumstance under which an employee or volunteer by virtue of financial or other personal interest, present or potential, directly or indirectly, may be influenced or appear to be influenced by any motive or desire for personal advantage, tangible or intangible, other than the success and well-being of the denomination.

Because of the common objectives embraced by the various organizational units and institutions of the Seventh-day Adventist Church, membership held concurrently on more than one denominational committee or board does not of itself constitute a conflict of interest provided that all the other requirements of the policy are met.

A conflict of commitment shall mean any situation which interferes with an employee's ability to carry out his/her duties effectively. Elected, appointed, or salaried employees on full-time assignment are compensated for full-time employment; therefore, outside or dual employment or other activity, whether compensated or not, that in any way interferes with the performance of an employee's duties and responsibilities is a conflict of commitment. A conflict of commitment also exists in situations where an employee functions contrary to the values and ethical conduct outlined in the organization's statement of ethical foundations and conduct (see model Statement of Ethical Foundations recommended by the 1999 Annual Council as guidelines for divisions) or when an employee functions contrary to established codes of ethical conduct for employees in particular professions (e.g. legal, investments).

S 47 10 Individuals Included Under This Policy—

All trustees, officers, executive committee/board members, employees, and volunteers of denominational organizations shall be subject to this policy.

S 47 15 Conditions Constituting Conflict—

A trustee, officer, executive committee/board member, employee, or volunteer has a duty to be free from the influence of any conflicting interest or commitment when serving the organization or representing it in negotiations or dealings with third parties. Both while on and off the job an employee is expected to protect the best interests of the employing organization. The following list, though not exhaustive, describes circumstances and conditions that illustrate conflict of interest or commitment:



1. Engaging in outside business or employment that encroaches on the denominational organization's call for the full services of its employees even though there may be no other conflict.
2. Engaging in business or employment that is in any way competitive or in conflict with any transaction, activity, policy, or objective of the organization.
3. Engaging in any business with or employment by an employer who is a supplier of goods or services to any denominational organization.
4. Making use of the fact of employment by the denominational organization to further outside business or employment, associating the denominational organization or its prestige with an outside business or employment, or using one's connection to the denomination to further personal or partisan political interests.
5. Owning or leasing any property with knowledge that the denominational organization has an active or potential interest therein.
6. Lending money to or borrowing money from any third party, excluding financial institutions, who is a supplier of goods or services or lending to/borrowing from a trustor or anyone who is in any fiduciary relationship to the denominational organization or is otherwise regularly involved in business transactions with the denominational organization.
7. Accepting or offering of any gratuity, favor, benefit, or gift or of any commission or payment, monetary or non-monetary, of greater than nominal value, in connection with work for the denominational organization other than the compensation agreed upon between the denominational organization and/or the employer and the employee.
8. Making use of or disseminating, including by electronic means, any confidential information acquired through employment by the denominational organization for personal profit or advantage, directly or indirectly.
9. Using denominational personnel, property, equipment, supplies, or goodwill for other than approved activities, programs, and purposes.
10. Expending unreasonable time, during normal business hours, for personal affairs or for other organizations, to the detriment of work performance for the denomination.
11. Using one's connections within the organization to secure favors for one's family or relatives.



S 47 20 Statement of Acceptance—

1. **By employees**—At the time of initial employment an employee shall sign a statement indicating acceptance of the conditions of employment as outlined in the organization’s employee handbook. This acceptance shall constitute the employee’s declaration of compliance and resolve to remain in compliance with the conflict of interest and/or commitment policy. On an annual basis the employer shall provide employees with a copy of the Statement of Ethical Foundations, plus a copy of the conflict of interest and/or commitment policy, and shall inform employees regarding the duty to disclose potential conflicts of interest and/or commitment.
2. **By administrators, department directors and trustees**—The chief administrator, or designee, of the organization concerned shall receive annually a statement of acceptance and compliance with the policy on conflict of interest and/or commitment from each administrator, department director, member of the board/executive committee, and any other person authorized to handle resources of the organization. (The employing organization may determine that other individuals shall also be required to submit annually a statement of acceptance and compliance.) Submission of the statement by persons identified above shall constitute a declaration of compliance with the policy and shall place the individual under obligation to disclose potential conflicts of interest and/or commitment that may arise during the ensuing year.

S 47 25 Reporting Potential or Actual Conflicts of Interest or Commitment—

All present and potential conflicts of interest must be disclosed:

1. If known, in advance of any meeting, business transaction, or other activity at which the issue may be discussed or on which the issue may have a bearing on the person’s approach to the issue, whether directly or indirectly; or
2. If not known in advance, when the actual, possible, or potential conflict becomes apparent. Disclosure must be made to the person in charge of the meeting or activity and to the full meeting, or to the person’s supervisor, as appropriate. The person should remove himself/herself from the room or situation to avoid participation in all discussion or deliberation on the issue, and voting. All such actions should be recorded in any minutes or records kept. Following full disclosure of the present or potential conflict, the board or equivalent group may decide that no conflict of interest exists and invite the participation of the person. This policy establishes a process which is self-identifying. However, third parties may report alleged conflicts in writing with supporting documentation, to an officer of the organization concerned if the employee fails to disclose a conflict or does so inadequately. The source of third party reports shall be held in confidence by the recipient unless it is required to divulge the information pursuant to a court order or if there is indication that the report is fraudulent or made with malicious intent.



S 47 30 Review Process for Conflicts of Interest and/or Commitment—

The officer or human resource/personnel office that receives the report of potential conflict shall inform the employee's supervisor and shall have the matter reviewed by the appropriate employing authority or by the committee assigned to review such matters. If the disclosure has come from a third party, the officer or human resource/personnel office shall inform the employee concerned and shall give the employee an opportunity to submit any information which may help in the review of the reported conflict. The decision of the employing authority or review committee as to whether or not a conflict exists shall be communicated to the employee in writing.

S 47 35 Sanctions for Noncompliance—

Noncompliance includes failure to:

1. Comply with this policy;
2. Report accurately on the disclosure form;
3. Comply with decisions made by the employing authority or review committee as a result of reported potential or actual conflicts of interest and/or commitment.

Non-compliance may result in disciplinary action, up to and including termination from employment. Termination from employment shall be processed in harmony with existing policies.

S 47 40 Model Statement of Acceptance—

The following model statement of acceptance may be modified in a manner appropriate to the organization concerned.



Conflict of Interest Statement of Acceptance

This declaration applies, to the best of my knowledge, to all members of my immediate family (spouse, children, parents) and its provisions shall protect any organization affiliated with or subsidiary to _____ . In the event facts change in the future that may create a potential conflict of interest, I agree to notify _____ in writing.

1. I have read the policy on Conflict of Interest and/or Commitment.
2. I am in compliance with the policy on Conflict of Interest and/or Commitment as printed above.
3. Except as disclosed below:
 - a. Neither I nor my family has a financial interest or business relationship, which competes with or conflicts with the interests of _____
 - b. Neither I nor my family have a financial interest in nor am or have been an employee, officer, director or trustee of, nor receive/have received financial benefits either directly or indirectly from any enterprise (excluding less than five percent (5%) ownership in any entity with publicly traded securities) which is or has been doing business with or is a competitor of _____
 - c. Neither I nor my family receive/received any payments or gifts (other than of token value) from other denominational entities, suppliers or agencies doing business with _____
 - d. Neither I nor my family serve/have served as an officer, director, trustee or agent of any organization affiliated with or subsidiary to _____ in any decision making process involving financial or legal interest adverse to _____

I am in compliance with the policy on Conflict of Interest and/or Commitment except as disclosed below:

Disclosures:

1. _____
2. _____
3. _____
4. _____
5. _____

Name

Position/Title

Date

Church Board Member

This Quick Start Guide for Church Board Members is full of important information to help you fulfill your responsibilities to your church. This guide contains a job description, instructions for getting started, tips for maintaining a successful ministry, troubleshooting suggestions, recommended resources, and more. Whether you're new to this ministry or an experienced volunteer, this Quick Start Guide will inspire you with lots of great ideas you can immediately put to use as a church board member.

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