



*A higher standard.
A higher purpose.*

Guiding Principles for Compliance Determination

As an association of Christ-centered, evangelical, not-for-profit organizations that have voluntarily joined together in the common mission of earning the public's trust through demonstrating ethical practices and financial accountability, ECFA recognizes its responsibility to hold its members accountable to the ECFA *Standards of Responsible Stewardship* (the "Standards"). To that end, the following guiding principles apply when a member's compliance with the Standards is challenged:

1. ECFA membership is a privilege, not a right. Membership is granted at the discretion of the ECFA Board of Directors based upon its conclusion that the applicant is in compliance with the ECFA Standards of Responsible Stewardship. No member has a vested right or interest in its membership. Each member is responsible consistently to demonstrate ongoing good faith compliance with the Standards.
2. The strength of ECFA and its value to its members is directly related to the public's recognition of the ECFA Standards and their respect for members' compliance with them.
3. ECFA membership includes members' commitment to submit to the ECFA Board on issues relating to ECFA Standards and to cooperate with ECFA as it conducts investigations and seeks to assist members in taking appropriate corrective action.
4. Standards that are not respected by members or that are violated – whether through ignorance or intentionally – and go unenforced lose their effectiveness in demonstrating God-honoring ethical practice.
5. ECFA is committed to a redemptive approach with its members when noncompliance of Standards is determined. ECFA-imposed sanctions will be pursued if corrective measures fail or would be inappropriate under the circumstances.
6. ECFA membership presupposes that members are committed to trying, when possible, to resolve disputes – including those suggesting possible ECFA Standards noncompliance – according to the precepts of Matthew 18:15-17 and 1 Corinthians 6:1-4.
7. ECFA seeks:
 - a Christ-like attitude from the ECFA Board, Standards Committee, ECFA staff, and ECFA members' Officers and Board when questions of noncompliance are being reviewed;

- a spirit of reconciliation rather than adversarial confrontation; and
 - a teachable spirit with an open attitude.
8. The ECFA Board of Directors has ultimate responsibility for determining whether or not any violations of ECFA Standards occurred, and determining what sanctions, if any, should be imposed.
 9. In the spirit of cooperative interest in earning the public's trust, members being reviewed must provide full disclosure of all information relevant to compliance issues and must respond to ECFA's inquiries promptly.
 10. ECFA will seek to accommodate, to the best of its ability, a member's request for either an onsite Compliance Review, a meeting with representatives of the Standards Committee and/or ECFA staff, or reasonable extensions of time to respond to an ECFA Compliance Review.
 11. ECFA will consider every noncompliance issue raised with appropriate urgency based on the issue and circumstances, and will complete its Compliance Review responsibilities in a timely manner.
 12. These Compliance Review Principles are a tool for ECFA's use in protecting all of its members in determining facts and enforcing its Standards in a fair and consistent manner. Their effectiveness is dependent upon the cooperation and Christ-centered integrity of all parties to the process.
 13. ECFA strives to balance its obligations –
 - to protect the confidentiality of proprietary and privileged information obtained from members,
 - to protect members' reputations from unwarranted harm,
 - to enforce its Standards as a self-regulating association, and
 - to provide accurate information to the public.
 14. ECFA will avoid assigning anyone to a Compliance Review team that may have conflicting interests. Similarly, ex parte communications are discouraged (but must be disclosed if they occur).
 15. ECFA encourages complainants to bring their concerns directly to the ECFA members, but will respect complainants' wishes if they insist on anonymity.
 16. Just as ECFA's Standards stress members' integrity and honesty in action and in communication with the public with certain obligations of disclosure, ECFA will conduct itself with the same requirements when communicating to the public regarding compliance matters.

These guiding principles are intended to provide guidance to members and to those conducting Compliance Reviews. Although Compliance Reviews will generally have the following process and flow, ECFA, its Board of Directors, and staff retain the right to vary from the processes outlined below in order to effect what will be, in their judgment, a more complete or fair result:

Discovery

- When, in the course of ECFA's normal review of information provided by members and the public, there appears to be the possibility of an ECFA Standard noncompliance, the ECFA staff will look into the matter. This may include requesting further information from the member or person bringing the matter to ECFA's attention.

Notification & Investigation

- If it appears that there may be a basis for the concern, ECFA will usually contact the member and ask for information that would shed light on the noncompliance concern. While sometimes the issue may be one, which requires more immediate action, this request for information is an opportunity for the member to provide full disclosure of all pertinent information, demonstrating the spirit of openness and trust ECFA membership is based upon.
- If the situation warrants an onsite Compliance Review, one will be initiated and completed as soon as possible.

Conclusion, Action & Notification

- The findings of those looking into a possible Standards noncompliance may be resolved at the ECFA staff level if it is determined the member is in compliance, or may be presented to ECFA's Standards Committee or Board of Directors, or a subcommittee of either body.
- If the member is found to be in compliance, it will be notified appropriately by ECFA. If the member is found to be in noncompliance, the ECFA Board may choose to investigate further, suspend, or terminate the member. The member will be notified appropriately of the Board's decision.

Appeals & Public Disclosure

- The member may choose to appeal the Board's decision, but it must communicate its request to ECFA immediately but in no event later than thirty (30) calendar days of receiving notice of the decision.
- ECFA's only public relations contacts are its President (or his designee) and Board Chair. While they will protect confidential and proprietary information, they will communicate publicly that a Compliance Review is in process or has been completed, what the Standards of concern are or were, and the final decision once the Compliance Review has been completed.