

# Ethics J-E-O-P-A-R-D-Y

## AFP's Favourite Quiz Game!

You didn't actually think we'd give you the questions and answers to Ethics Jeopardy, did ya?!

Ok ok ok, here's a very handy tool to keep in your arsenal (and it might even help you win Ethics Jeopardy!).

### THE ETHICAL DECISION MAKING TOOL

Inspired by readings taken from Ethical Fundraising by Janice Gow-Petty (editor).

A roadmap for ethical decision making.

- **Clarify the problem**

Identify the driving forces and maintain objectivity.

IOW: what does he want and can I keep my feelings in check?

- **Identify the key, competing values at stake**

Identify and rank the values at stake. Which of the organization's values are at stake?

IOW: are you selling yourself out or your organization?

- **Identify the players and stakeholders**

Who should have a role in the decision-making process? Consider the most vulnerable stakeholders.

IOW: Who stands to lose or gain from this situation? *Cui bono*. Who's profiting from this and who's involved?

- **Identify the most plausible alternatives**

Be sure to include the "less popular" alternatives.

IOW: being creative in coming up with different alternatives gives you more options for a viable and satisfactory solution.

- **Imagine the potential outcomes**

Discuss both short-term and long-term outcomes as well as best-case, worst-case scenarios.

IOW: the exercise of "talking it out" or "writing it down" will help the thought process. What's the worst case and best case scenario? What would happen if this were in the news? The «grandma» test.

- **Evaluate the potential outcomes**

Consider the positive and negative potential for each outcome.

IOW: what's the worst/best thing that can happen?

- **Decide on a course of action**

Act thoughtfully and deliberately.

IOW: don't be selfish and only think of yourself or your organization. Think of the other party involved. It's not just about you.

- **Test the decision**

Consider using the five "C's" criteria for fundraising:

Consistency: the trust constituents develop in institutions and individuals resulting from a pattern of regular and predictable behavior.

Coherence: the guiding principles and standards that reflect unity and harmony, which provide a common point of reference.

Continuity: a person's past or an organization's history, which provide the ethical backdrop for assessing present and future actions.

Communication: direct and candid conversations with constituents and colleagues, which prevent misunderstandings and create an environment where ideas and decisions can be shared, analyzed, challenged, and sharpened.

Conviction: the basic beliefs contained in the organization's mission statement.

One can also consider "consequences" as the effect that an action has on people and conditions.

And for a 7th C, Cover your **behind!**

IOW: double check yourself. Write it to down to solidify the process.

- **Share the decision with someone else**

IOW: first bounce it off your mentor, your peer, your supervisor, or your board chair. Then make it part of team meetings to discuss the situation and the decision made so everyone can sharpen their skills and understand the repercussions of the situation.

- **Implement the decision**

This is the most delicate part of the process because you have to figure out how to carry out what you have decided and it may not be a popular choice. There is bound to be stakeholders who won't be happy with your decision. It's about how you present it and you stand your ground.

Life is not fair but you can be. At the end of the day, there will always be a winner and a loser.

IOW: Man/Woman up! Minimize the negative impact on various stakeholders and demonstrate the organization's respect for rights and privacy as well as your Code of Conduct.

- **Evaluate the results or consequences**

Reviewing results and intended or unintended consequences provides additional learning opportunities in ethical decision making.

IOW: self-regulate your process. Take a step back and look at what happened. Give it time to sink in and reassess after being out of the situation.

- **Modify policies and procedures**

Regularly review policies and procedures for consistency with organization's ethical values.

IOW: do you actually have policies and if not, what are you waiting for?! Gift acceptance policies, (do you have a morality clause in it?), Conflict of Interest policy, Confidentiality Policy, Whistleblower Policy, etc. Write down what happened and the decision made for future reference.



# AFP Code of Ethical Principles and Standards

## ETHICAL PRINCIPLES

Adopted 1964; amended Sept. 2007

The Association of Fundraising Professionals (AFP) exists to foster the development and growth of fundraising professionals and the profession, to promote high ethical behavior in the fundraising profession and to preserve and enhance philanthropy and volunteerism.

Members of AFP are motivated by an inner drive to improve the quality of life through the causes they serve. They serve the ideal of philanthropy, are committed to the preservation and enhancement of volunteerism; and hold stewardship of these concepts as the overriding direction of their professional life. They recognize their responsibility to ensure that needed resources are vigorously and ethically sought and that the intent of the donor is honestly fulfilled.

To these ends, AFP members, both individual and business, embrace certain values that they strive to uphold in performing their responsibilities for generating philanthropic support. AFP business members strive to promote and protect the work and mission of their client organizations.

### AFP members both individual and business aspire to:

- ◆ practice their profession with integrity, honesty, truthfulness and adherence to the absolute obligation to safeguard the public trust
- ◆ act according to the highest goals and visions of their organizations, professions, clients and consciences
- ◆ put philanthropic mission above personal gain;
- ◆ inspire others through their own sense of dedication and high purpose
- ◆ improve their professional knowledge and skills, so that their performance will better serve others
- ◆ demonstrate concern for the interests and well-being of individuals affected by their actions
- ◆ value the privacy, freedom of choice and interests of all those affected by their actions
- ◆ foster cultural diversity and pluralistic values and treat all people with dignity and respect

- ◆ affirm, through personal giving, a commitment to philanthropy and its role in society
- ◆ adhere to the spirit as well as the letter of all applicable laws and regulations
- ◆ advocate within their organizations adherence to all applicable laws and regulations
- ◆ avoid even the appearance of any criminal offense or professional misconduct
- ◆ bring credit to the fundraising profession by their public demeanor
- ◆ encourage colleagues to embrace and practice these ethical principles and standards
- ◆ be aware of the codes of ethics promulgated by other professional organizations that serve philanthropy

## ETHICAL STANDARDS

Furthermore, while striving to act according to the above values, AFP members, both individual and business, agree to abide (and to ensure, to the best of their ability, that all members of their staff abide) by the AFP standards. Violation of the standards may subject the member to disciplinary sanctions, including expulsion, as provided in the AFP Ethics Enforcement Procedures.

### Member Obligations

1. Members shall not engage in activities that harm the members' organizations, clients or profession.
2. Members shall not engage in activities that conflict with their fiduciary, ethical and legal obligations to their organizations, clients or profession.
3. Members shall effectively disclose all potential and actual conflicts of interest; such disclosure does not preclude or imply ethical impropriety.
4. Members shall not exploit any relationship with a donor, prospect, volunteer, client or employee for the benefit of the members or the members' organizations.
5. Members shall comply with all applicable local, state, provincial and federal civil and criminal laws.

**6.** Members recognize their individual boundaries of competence and are forthcoming and truthful about their professional experience and qualifications and will represent their achievements accurately and without exaggeration.

**7.** Members shall present and supply products and/or services honestly and without misrepresentation and will clearly identify the details of those products, such as availability of the products and/or services and other factors that may affect the suitability of the products and/or services for donors, clients or nonprofit organizations.

**8.** Members shall establish the nature and purpose of any contractual relationship at the outset and will be responsive and available to organizations and their employing organizations before, during and after any sale of materials and/or services. Members will comply with all fair and reasonable obligations created by the contract.

**9.** Members shall refrain from knowingly infringing the intellectual property rights of other parties at all times. Members shall address and rectify any inadvertent infringement that may occur.

**10.** Members shall protect the confidentiality of all privileged information relating to the provider/client relationships.

**11.** Members shall refrain from any activity designed to disparage competitors untruthfully.

### **Solicitation and Use of Philanthropic Funds**

**12.** Members shall take care to ensure that all solicitation and communication materials are accurate and correctly reflect their organizations' mission and use of solicited funds.

**13.** Members shall take care to ensure that donors receive informed, accurate and ethical advice about the value and tax implications of contributions.

**14.** Members shall take care to ensure that contributions are used in accordance with donors' intentions.

**15.** Members shall take care to ensure proper stewardship of all revenue sources, including timely reports on the use and management of such funds.

**16.** Members shall obtain explicit consent by donors before altering the conditions of financial transactions.

### **Presentation of Information**

**17.** Members shall not disclose privileged or confidential information to unauthorized parties.

**18.** Members shall adhere to the principle that all donor and prospect information created by, or on behalf of, an organization or a client is the property of that organization or client and shall not be transferred or utilized except on behalf of that organization or client.

**19.** Members shall give donors and clients the

opportunity to have their names removed from lists that are sold to, rented to or exchanged with other organizations.

**20.** Members shall, when stating fundraising results, use accurate and consistent accounting methods that conform to the appropriate guidelines adopted by the American Institute of Certified Public Accountants (AICPA)\* for the type of organization involved. (\* In countries outside of the United States, comparable authority should be utilized.)

### **Compensation and Contracts**

**21.** Members shall not accept compensation or enter into a contract that is based on a percentage of contributions; nor shall members accept finder's fees or contingent fees. Business members must refrain from receiving compensation from third parties derived from products or services for a client without disclosing that third-party compensation to the client (for example, volume rebates from vendors to business members).

**22.** Members may accept performance-based compensation, such as bonuses, provided such bonuses are in accord with prevailing practices within the members' own organizations and are not based on a percentage of contributions.

**23.** Members shall neither offer nor accept payments or special considerations for the purpose of influencing the selection of products or services.

**24.** Members shall not pay finder's fees, commissions or percentage compensation based on contributions, and shall take care to discourage their organizations from making such payments.

**25.** Any member receiving funds on behalf of a donor or client must meet the legal requirements for the disbursement of those funds. Any interest or income earned on the funds should be fully disclosed.

