

## **Without A Doubt : How To Navigate Through Ethical Grey Areas**

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1

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2

*“The first step in the evolution of ethics is a sense of solidarity with other human beings.”*

*Albert Schweitzer*

3

## Definition

*“Ethics is a code of conduct, based on moral duties and obligations which indicates how we should behave.*

*Ethics deals with the ability to **distinguish right from wrong** and with the **commitment to do what is right.**”*

Michael Josephson

Josephson Institute for the Advancement of Ethics

4

## The Three S's

Scandal + Scrutiny + Skepticism

- Public trust issues
- Self-regulation -vs- government regulation
- Investigate reporting
- Heightened accountability
- Need for transparency
- Multiple stakeholders

5

## It's a Natural Instinct

- We have a rudimentary sense of justice from a very early age
- It doesn't necessarily make us good, but the building blocks are there
- We can add tools to better make tough choices and good judgments
- Trust your gut

6

Gilles Duceppe takes action following accusations he misuse... [http://www.thestar.com/news/canada/2012/01/30/gilles\\_...](http://www.thestar.com/news/canada/2012/01/30/gilles_...)

News / Canada

**Gilles Duceppe takes action following accusations he misused public funds**  
Former Bloc Quebecois leader Gilles Duceppe has sought help from his lawyer to fight accusations that he mishandled public funds.



GRAHAM HUGHES / THE CANADIAN PRESS  
Former Bloc Quebecois leader Gilles Duceppe says he will present a legal opinion to the parliamentary body that's investigating reports he used House of Commons funds for partisan purposes.

Published on Mon Jan 30 2012

MONTREAL—Former Bloc Quebecois leader Gilles Duceppe has sought help from his lawyer to fight accusations that he mishandled public funds.

Duceppe says he will present a legal opinion on Monday to the parliamentary body that's investigating allegations he used House of Commons funds for partisan purposes.

In a statement released Sunday, Duceppe said the legal opinion, prepared by his lawyer, will show he always made sure to respect parliamentary rules.

The former Bloc chief has been under scrutiny since a report surfaced last Saturday that he paid his party's general manager for seven years with funds designated to run his Ottawa office.

Other parties in Ottawa have said the Bloc Quebecois broke parliamentary rules when it paid Gilbert Gardner public funds to work at the Bloc's headquarters in Montreal.

Duceppe refuted the allegations again Sunday, calling them "false" and "partisan."

The legal opinion will be submitted to the Board of Internal Economy, an all-party body that oversees MP expenses and is looking into the matter.

Duceppe said the Bloc Quebecois offered to participate but was denied entry.

1 of 2 2016-04-25, 1:20 PM

February 28, 2013

## Fundraising letters to lobbyists were 'inadvertent,' Toronto Mayor Rob Ford's office says

By Elizabeth Church

*Football foundation's letter to a city hall lobbyist 'inadvertent,' says Mayor Rob Ford's chief of staff; previously, the city's integrity commissioner took Mr. Ford to task for using his office letterhead to ask for donations and accepting money from lobbyists*

Mayor Rob Ford's office says efforts to raise money from city hall lobbyists for the mayor's personal football foundation were "inadvertent," and is pledging to return any donations received because of the error.

"It is our understanding that the Football Foundation makes every attempt to remove registered lobbyists from its mass mailing lists," said Mr. Ford's chief of staff, Mark Towhey, in a statement issued Thursday. "If errors were made, they were inadvertent."

Mr. Towhey's remarks follow the discovery that at least one individual who is registered as a lobbyist at city hall has received a letter from Mr. Ford asking for money to support his efforts to provide football equipment to Toronto high schools.

Andy Manahan, the executive director of the Residential and Civil Construction Alliance of Ontario, met with two councillors and city staff at various times this year and last, according to the city's lobbyist registry.

Contacted Thursday, Mr. Manahan confirmed he received a letter on January 28 from The Rob Ford Football

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## Some Basic Values

- Truth versus Loyalty
- Individual versus Community
- Short-term versus Long-term
- Justice versus Mercy

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“When your values are clear to you, making decisions becomes easier.”

Roy Disney

10

## Principles of Relationship Building

- Respect ...
- Truth Telling ...
- Promise Keeping ...
- Accountability ...
- Fairness ...
- Fidelity of Purpose ...
- Transparency ...

11

*“Nowhere is ethical behaviour more essential, or its absence more damaging, than in philanthropic fundraising.”*

*Guy Mallabone, CFRE*

*Editor of the book Excellence in Fundraising in  
Canada*

12

## Self test

Q: You just learned from a donor that the son of the chair of the board has been soliciting your donors to sell his investment services. What should you do?

- 1) Inform the chair of the board that the AFP Code of Ethical Principles forbids this practice and it must stop.
- 2) Ask your CEO to advise the chair of the board that this practice must stop.
- 3) Inform your CEO that the AFP code does not speak to this practice.
- 4) Keep quiet.
- 5) Other.

13

## Self test

Q: An investigation reveals that the son obtained the list of donors from the printed program of your organization's recent recognition dinner. Would this practice be acceptable under the AFP code?

1. Yes
2. No.
3. It depends.
4. Don't know.

## Self test

Q: Your investigation reveals that the board chair has been giving the names of donors and acquaintances to her son to help the son get his business started. What should you do?

- 1) Inform the board chair that the AFP Code of Ethical Principles forbids this practice and it must stop.
- 2) Ask your CEO to advise the board chair that this practice must stop.
- 3) Inform your CEO that the AFP Code does not speak to this practice.
- 4) Keep quiet.
- 5) Other.

## The Checklist

- What's going on? What's the key issue?
- What does this person need?
- How would you feel if you were one of the stakeholders?
- What does this mean to you and your organization?
- What are the different options available?
- How would this be perceived in the court of public opinion?

16

## Cover All Bases

- Write reports
- Have a written policy
- Be consistent
- Codes of conduct and ethics – get your board to sign on to them: AFP, AHP, CASE and any other local association.

17

*“Even the most rational approach to ethics is defenceless if there isn’t the will to do what is right.”*

*Alexander Solzhenitsyn*

18

## Resources

- *AFP Code of Ethical Standards*
- *Donor Bill of Rights*
- *AFP Ethics Assessment Inventory*
- *AFP Whistleblower line 1-800-666-FUND*
- *Rogare at Plymouth University*

# THE ETHICAL DECISION MAKING TOOL<sup>1</sup>

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 out yourself 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 give 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? Have you considered sending a message to "Ask and Advisor" offered by the CAGP? What would happen if this were in the news?

- **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 about you.

- **Test the decision**

Consider using the five "C" criteria for fundraising:

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

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<sup>1</sup> Inspired by readings taken from Ethical Fundraising by Janice Gow Petty (editor)

**Coherence:** the guiding principle 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 YER ASS!

IOW: double check yourself. Write 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 chairperson. 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 procedure because you have to figure out how to carry out what yo have decided and it may not be a popular choice. There are 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 to the best of your ability. At the end of the day, there will always be a winner and a loser.

IOW: Own up to the situation. Minimize the negative impact on various stakeholders and demonstrate the organization's respect for rights and privacy as well as our 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.



# CODE OF ETHICAL STANDARDS

## ETHICAL STANDARDS (Adopted 1964; amended Oct 2014)

The Association of Fundraising Professionals believes that ethical behavior fosters the development and growth of fundraising professionals and the fundraising profession and enhances philanthropy and volunteerism. AFP Members recognize their responsibility to ethically generate or support ethical generation of philanthropic support. Violation of the standards may subject the member to disciplinary sanctions as provided in the AFP Ethics Enforcement Procedures. AFP members, both individual and business, agree to abide (and ensure, to the best of their ability, that all members of their staff abide) by the AFP standards.

### PUBLIC TRUST, TRANSPARENCY & CONFLICTS OF INTEREST

#### Members shall:

- 1 not engage in activities that harm the members' organizations, clients or profession or knowingly bring the profession into disrepute.
- 2 not engage in activities that conflict with their fiduciary, ethical and legal obligations to their organizations, clients or profession.
- 3 effectively disclose all potential and actual conflicts of interest; such disclosure does not preclude or imply ethical impropriety.
- 4 not exploit any relationship with a donor, prospect, volunteer, client or employee for the benefit of the members or the members' organizations.
- 5 comply with all applicable local, state, provincial and federal civil and criminal laws.
- 6 recognize their individual boundaries of professional competence.
- 7 present and supply products and/or services honestly and without misrepresentation.
- 8 establish the nature and purpose of any contractual relationship at the outset and be responsive and available to parties before, during and after any sale of materials and/or services.
- 9 never knowingly infringe the intellectual property rights of other parties.
- 10 protect the confidentiality of all privileged information relating to the provider/client relationships.
- 11 never disparage competitors untruthfully.

### SOLICITATION & STEWARDSHIP OF PHILANTHROPIC FUNDS

#### Members shall:

- 12 ensure that all solicitation and communication materials are accurate and correctly reflect their organization's mission and use of solicited funds.
- 13 ensure that donors receive informed, accurate and ethical advice about the value and tax implications of contributions.

- 14 ensure that contributions are used in accordance with donors' intentions.
- 15 ensure proper stewardship of all revenue sources, including timely reports on the use and management of such funds.
- 16 obtain explicit consent by donors before altering the conditions of financial transactions.

### TREATMENT OF CONFIDENTIAL & PROPRIETARY INFORMATION

#### Members shall:

- 17 not disclose privileged or confidential information to unauthorized parties.
- 18 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.
- 19 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 when stating fundraising results, use accurate and consistent accounting methods that conform to the relevant guidelines adopted by the appropriate authority.

### COMPENSATION, BONUSES & FINDER'S FEES

#### Members shall:

- 21 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.
- 22 be permitted to accept performance-based compensation, such as bonuses, only if such bonuses are in accord with prevailing practices within the members' own organizations and are not based on a percentage of contributions.
- 23 neither offer nor accept payments or special considerations for the purpose of influencing the selection of products or services.
- 24 not pay finder's fees, commissions or percentage compensation based on contributions.
- 25 meet the legal requirements for the disbursement of funds if they receive funds on behalf of a donor or client.

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