

## **CODE OF CONDUCT**

### **Trust for Civil Society in Central and Eastern Europe**

#### **Preamble**

A strong and vibrant civil society grows when people and organizations work together to build a shared vision of civic life. Among the strongest ties that unite a community are the ethical principles that guide our behavior and allow us to accomplish our common goals.

High standards of conduct are especially important for nonprofit and non-governmental organizations, which are founded to serve the public interest and depend on public and private sources of support for their very survival. We believe that a measure of the vitality of civil society in Central and Eastern Europe is the commitment of the region's NGOs to clear and stringent ethical standards—a commitment expressed not only in an organization's mission, but in its conduct from day to day.

Openness, honesty, integrity, and responsiveness to the people we serve; a spirit of giving, volunteerism, and community service; respect for the laws of the countries in which we work; and an abiding commitment to the principles of a democratic society, including equal opportunity, rule of law, and free enterprise, are the values by which the Trust, its board members, and staff expect to be judged.

The following code of conduct is based on these values and serves as our guide as we work with others to build our common goal of civil society in Central and Eastern Europe.

1. **Mission.** The mission of the Trust is to support the development and long-term stabilization of civil societies in Bulgaria, the Czech Republic, Hungary, Poland, Romania, Slovakia, and Slovenia. We have three mutually reinforcing objectives:
  - a. Support for the legal, fiscal, and political frameworks needed for healthy civil societies;
  - b. Strengthening of nonprofit sectors through institutional capacity building;
  - c. Support for the long-term financial sustainability of nonprofit organizations.

We pledge to serve and promote the mission of the Trust with loyalty, care, and obedience and to put the interests of the Trust above all other personal or professional obligations or interests.

2. **Accountability and transparency.** The Trust is dedicated to fostering a nonprofit sector in Central and Eastern Europe that willingly and wholeheartedly embraces the principles of accountability and transparency. In our activities we pledge to honor these principles through:

- a. **Full compliance with legal obligations.** We respect and adhere to all applicable laws, regulations, and international agreements in the countries in which we operate.
  - b. **Complete and accurate information.** We offer to the public full and honest information about our mission, programs, finances, and record of accomplishments. We accurately represent our activities and policies in all communications with our donors, partners, and other stakeholders; file mandatory reports in a punctual manner; and promptly respond to all reasonable requests for information.
  - c. **Responsiveness to stakeholders.** We solicit candid feedback from the partners, donors, and other people and organizations with which we work, so as to be responsive as possible to the needs of the communities around us.
- 3. Responsible use of resources.** It is our duty to honor the public trust vested in us by utilizing the Trust's resources wisely and efficiently. In meeting this responsibility we strive at all times to exercise
- a. **Care in the maintenance and protection of resources.** We base our policies and decisions about the management of funds on careful deliberation and informed advice from impartial experts. A system of internal controls ensures that our resources are protected and properly used.
  - b. **Balance in the disposition of resources.** We do not accumulate financial resources unnecessarily and limit the proportion of funds spent on administrative and fundraising activities to a reasonable proportion of costs.
  - c. **Sound judgment in the acquisition of resources.** We do not solicit or accept financial resources from illegitimate or ambiguous sources or from people or institutions who values or mission conflict with our own.
  - d. **Transparency in financial reports.** We keep full and accurate records of the disposition of funds, including audited financial statements, according to established international bookkeeping standards, and we make these records available to the public in a timely and accessible manner.
- 4. Informed and responsible grant-making.** As a leading grant-making and operating organization in Central and Eastern Europe, the Trust seeks to foster a culture of responsible grant-making and set an example for similar organizations throughout the region. With this duty in mind, we seek to provide:
- a. **A clear mission statement.** We clearly communicate the purpose and goals of our grant-making activities.
  - b. **Clear grant-making policies and processes.** We organize our work in a fair and efficient manner, providing timely and accurate information about our procedures to the public and potential grantees.
  - c. **Fair and objective decision-making.** We award grants on the basis of criteria defined and made known in advance, taking into account the advice of impartial experts.

- d. **Full disclosure of grant awards.** We provide the public with complete information about the award of grants, including recipients, amounts, and purpose.
  - e. **Impartial evaluation.** We periodically assess the effectiveness of our grant-making strategies, soliciting feedback from stakeholders and experts in the field and making adjustments as warranted.
  - f. **Cooperation with other donors.** We seek to coordinate efforts with the larger community of grant-making organizations, in the belief that cooperation is the surest foundation for civil society.
5. **Committed board leadership.** We believe that effective internal governance is the surest foundation upon which to build an accountable organization. The Trust strives to exemplify the highest standards of nonprofit governance by promoting:
- a. **An engaged board of trustees.** The Trust's board acknowledges that it is the highest decision-making body within the organization with ultimate legal responsibility for the organization. The board exercises leadership by setting direction, formulating policies, overseeing resources, monitoring performance, and providing guidance for conducting of the affairs of the organization.
  - b. **Responsible and competent trustees.** The board ensures its individual members have the necessary skills and capacities to fulfill their duties competently and impartially. The board articulates clear expectations for the performance of each trustee and offers orientation and training as needed. Trustees are not paid for their service.
  - c. **Informed oversight and prudent decision-making.** The board performs its duties through regular, fair, and conscientious consultation and deliberation. The boards ensures that it has complete and accurate information needed to perform its tasks; meets regularly, with the full participation of its members; maintains an accurate record of its deliberations; and executes its duties in accordance with established procedures.
  - d. **Independence of the board from the staff.** The board works independently of management in an effort to provide impartial guidance and oversight. At the same time, the board works in close partnership with the chief executive, who manages the organization from day to day and serves as a non-voting member of the board. The board hires the chief executive, sets a reasonable compensation, and regularly evaluates the chief executive's performance.
6. **Sound management practices.** We recognize the importance of sensitive management of our most valuable resource, the people who work with us as employees, volunteers, partners, and supporters. Our dealings with others are characterized by our commitment to:
- a. **Personal integrity.** In our behavior we seek to behave honestly, openly, and with respect for others.

- b. **Diversity.** The Trust promotes diversity in its hiring, on its board, and in its programming activities.
  - c. **Established employment policies.** The Trust supports an environment in which each employee is encouraged to do his or her best and individual contributions are acknowledged and fairly compensated. Policies for hiring, compensating, evaluating, disciplining, resolving grievances, and encouraging the professional development of staff are available in writing and systematically honored.
7. **Avoidance of conflict of interest.** We believe that avoidance of conflict of interest is one of the most important tasks in strengthening the nonprofit sector. To avoid conflict of interest or its appearance, we seek at all times:
- a. To avoid situations in which personal interests or the interests of third parties take precedence over the interests of the Trust.
  - b. To avoid accepting gifts, hospitality, or favors that might influence our judgment.
  - c. To disclose real or potential conflicts in accordance with established policies.