

**The usual discussion points of this comprehensive Code include the law and ethics section (IV), the extensive web site posting required (IX), and the remedies section, adding teeth to this Code (XII).**

## **CODE OF ETHICS**

### **COMPASSPOINT**

#### **I. Integrity**

All directors, officers, employees, and volunteers of CompassPoint shall act with honesty, integrity, and openness in all of their dealings as representatives of CompassPoint. CompassPoint shall maintain a working environment that values integrity, fairness, and respect.

#### **II. Mission and Vision**

Our mission is to increase the impact of nonprofit community-based organizations and the people who work and volunteer in them.

We pursue our mission by:

- delivering a range of high-impact capacity-building services to community-based organizations and the individuals working and volunteering in them,
- continuously refining these services based on what clients tell us they need and our own informed experiences in the field,
- staying abreast of and helping to shape current best practices and paradigms in nonprofit capacity building.

#### **III. Governance**

The Board of Directors is responsible for setting the mission and the strategic direction of CompassPoint and for exercising oversight of its finances and policies. The Board of Directors shall:

- Ensure that Board members possess the requisite skills and experience to carry out their duties and that all directors understand and fulfill their governance duties, acting for the benefit of CompassPoint and its public purpose;

- Adopt and implement a Conflict of Interest Policy so that conflicts of interest, as well as the appearance of conflicts of interest, are avoided or properly managed through disclosure, recusal, or other means;
- Be responsible for the hiring and regular performance review of the Chief Executive Officer, and ensure that the compensation of the Chief Executive Officer is reasonable and appropriate;
- Ensure that the Chief Executive Officer and appropriate staff provide the Board of Directors with timely and comprehensive information so that the Board of Directors can effectively carry out its duties;
- Ensure that CompassPoint conducts all transactions and dealings with integrity and honesty;
- Ensure that CompassPoint promotes working relationships with Board members, management team, staff, and volunteers based on mutual respect, fairness, and openness;
- Ensure that CompassPoint is fair and inclusive in its hiring and promotion policies and practices for all Board, management team, staff, and volunteer positions;
- Ensure that key policies of CompassPoint are in writing, clearly articulated, and adopted;
- Ensure that the resources of CompassPoint are responsibly and prudently managed;
- Ensure that CompassPoint has the capacity to carry out its programs effectively.

#### **IV. Law and Ethics**

CompassPoint shall comply with all applicable federal, state, and local laws and regulations and shall seek the advice of counsel when necessary or appropriate. Compliance with the law, however, is the minimum standard of expected behavior. CompassPoint shall also adhere to the highest ethical standards. All resolutions and other legal actions by the Board of Directors shall satisfy two requirements: (1) they shall be legally permissible, and (2) they shall also reflect the highest ethical standards as determined by the Board of Directors in the exercise of its sole discretion.

#### **V. Stewardship**

In managing its funds responsibly and prudently, CompassPoint shall:

- Devote a reasonable percentage of its annual budget to programs in pursuance of its mission;

- Incur administrative costs adequate to ensure effective accounting and legal compliance systems, internal controls, competent staff, and other expenditures critical to professional management;
- Pay compensation, in return for services, that is reasonable but not excessive;
- Avoid accumulating CompassPoint funds excessively;
- Draw prudently from restricted funds in a manner consistent with the restrictions;
- Follow spending practices and policies that are fair, reasonable, and appropriate to fulfill the mission of CompassPoint.

## **VI. Diversity**

CompassPoint shall promote diversity and inclusiveness in its Board of Directors, management team, staff, and volunteers.

## **VII. Evaluation**

CompassPoint is committed to improve, continually, its public programs and its organizational quality. CompassPoint shall periodically review its program and incorporate lessons learned into future programs. CompassPoint shall be responsive to new developments in its field of activity and shall be responsive to the interests of its audiences and other constituencies.

CompassPoint shall develop and implement a three-tier evaluation procedure whereby the performance of the Board of Directors as a whole, each Board committee, and each director is evaluated periodically.

## **VIII. Fundraising**

CompassPoint shall comply with the fundraising requirements of California's Nonprofit Integrity Act of 2004. CompassPoint shall respect the privacy concerns of individual donors and shall follow donor intent in making expenditures. CompassPoint shall disclose important and relevant information to potential donors. In raising funds from the public, CompassPoint shall:

- Inform donors of the mission of CompassPoint, how resources will be used, and the integrity of CompassPoint causing donations to be used effectively for their intended purposes;
- Inform donors of the identity of those serving on CompassPoint's Board;
- Disclose CompassPoint's most recent financial reports;

- Represent that contributions will be used for the purposes for which they were given;
- Provide appropriate acknowledgement and recognition of contributions;
- Treat information about donations with respect and with confidentiality to the extent provided by the law;
- Provide an opportunity for donors to delete their names from mailing lists that may be used by others;
- Encourage donors to ask questions when making a donation, and provide prompt, truthful, and forthright answers.

## **IX. Transparency**

CompassPoint shall provide comprehensive and timely information to the public, the media, and all stakeholders and shall be responsive in a timely manner to reasonable requests for information. All information about CompassPoint shall fully and honestly reflect the policies and practices of CompassPoint. All solicitation materials shall accurately represent CompassPoint's policies and practices. All financial and program reports shall be complete and accurate in all material aspects.

The following governance documents shall be posted on CompassPoint's website: Articles of Incorporation, Bylaws, Conflict of Interest Policy, Code of Ethics, Gift Acceptance Policy, Whistleblower Notice and Policy, and Document Management Policy, along with audited financial statements and Form 990 for the most recent three years. The website shall invite comments by readers with regard to any governance document, and the readers shall be expressly encouraged to download any documents that may be useful to their nonprofit organization.

## **X. Confidentiality**

All directors, officers, employees and volunteers have a duty to safeguard information that is proprietary to CompassPoint. Information about CompassPoint that is confidential or proprietary and obtained by a director, officer, employee or volunteer as a consequence of such person's association with CompassPoint may not be disclosed to third parties unless expressly authorized by CompassPoint.

## **XI. Complaints**

Any person, whether or not connected with CompassPoint, may lodge a complaint of unethical conduct against a director, officer, employee, or volunteer of CompassPoint by filing such complaint, written or oral, with any director or officer.

## **XII. Remedies**

Any director who fails to comply with this Code of Ethics may, in the discretion of the Board of Directors, be removed from the Board. If any employee or volunteer fails to comply with this Code of Ethics, that person may be put on notice or terminated, in the discretion of the Chief Executive Officer or the Board of Directors.

## **XIII. Annual Affirmation Statement**

CompassPoint shall provide a copy of this Code of Ethics to every director, officer, employee, and volunteer. Each year the Annual Affirmation Statement, attached, shall be signed by each director, officer, and employee, affirming that such person has received a copy of this Code of Ethics, has read and understands it, and agrees to comply with it. Volunteers are not required to sign and submit such a Statement.

All Annual Affirmation Statements shall be submitted to the Chief Executive Officer or the Secretary of the Foundation and then filed with the minutes of the first meeting of the Board of Directors held each year after January 31.

**ANNUAL AFFIRMATION STATEMENT**

**COMPASSPOINT**

The Code of Ethics of CompassPoint requires an annual affirmation that you have received, read, understand, and agree to comply with the Code of Ethics.

Please sign this Annual Affirmation Statement indicating your affirmation as described above

Please return this Statement to the Chief Executive Officer of CompassPoint each year by January 31.

Your name: \_\_\_\_\_

Date: \_\_\_\_\_