

SOROS FOUNDATION-MOLDOVA

STAFF CODE OF CONDUCT AND ETHICS AND POLICY FOR REPORTING CONCERNS OF IMPROPER ACTIVITIES

Title	Soros Foundation-Moldova Staff Code of Conduct and Ethics and Policy for Reporting Concerns of Improper Activities
Document Language	English (Romanian)
Source Language	English
Responsible Unit	HR
Date approved	May 31, 2012
Audience	SFM personnel and implementing partners
Applicability	Applies to all activities and operations of SFM and SFM-funded programmes or projects
Related documents	HR Policy, COI Policy, SFM policy on fraud and other corrupt practices;

PURPOSE

The public purpose and tax exempt status of charitable organizations require them to maintain the public trust. The Soros Foundation-Moldova (“SFM” or the “Foundation”) has always taken this obligation seriously and strives to set an example for the field of philanthropy in all of its activities. Accordingly, it is incumbent upon employees of SFM to conduct the affairs of SFM with a commitment to the highest standards of integrity. This includes acting at all times in an honest and ethical manner, in compliance with all laws and regulations and avoiding actual, potential or apparent conflicts of interest. Compliance with this Code of Conduct and Ethics will sustain a culture where honest and ethical conduct is recognized, valued and exemplified throughout the organization.

PROVISIONS

1. Conflicts of Interest and Gift Policy

Employees of SFM are subject to SFM’s Conflicts of Interest and Gift Policy, as adopted by the SFM National Board. All SFM employees are required to familiarize themselves with the terms of this policy and to follow the procedures described therein. Please note that all SFM employees are also required to submit annually a completed questionnaire disclosing affiliations with third parties and verifying compliance with the terms of the Conflicts of Interest and Gift Policy. The most recent version of this policy may be found in the SFM Policies and Procedures folder: ntserver\templates\SFM Office.

2. Employment, Consultancies, Private Business Activities, and Teaching Assignments

SFM staff members have a full-time responsibility to the Foundation. This full-time obligation to SFM often requires staff members, particularly program (Program Directors and above) and professional staff (including mid- and senior-level administrative staff), to work long hours in order to ensure a professional, first-rate work product. In light of this full-time obligation, *program (Program Directors and above) and professional staff*

(including mid- and senior-level administrative staff) are not permitted to engage in non-SFM part-time employment, paid consultancies, private business activities, or teaching assignments without the prior written approval of the Executive Director, which may be granted in the following circumstances:

- a) Where such arrangement will not interfere with the staff member's responsibilities to the Foundation, taking into account the staff member's commitments and responsibilities, such as travel, which may extend beyond normal working hours;
- b) Where the arrangement will not affect, or appear to affect, the staff member's judgments on behalf of the Foundation; and
- c) Where the proposed non-SFM activity does not involve an existing or prospective Foundation grantee or supplier.

Prior written approval of the Executive Director is required because such non-SFM activities could interfere with the discharge of a staff member's Foundation responsibilities or create an actual or apparent conflict of interest with the Foundation.

3. Foundation Grants and Consultancies

- a) No Foundation employee may be the Program Director on any grant to a grantee employing, either on staff or as a consultant, a member of the employee's immediate family.
- b) Individual grants and consultancies may not be made or given directly or indirectly to a member of an employee's immediate family. Individual grants and consultancies may not be made or given to any relative of an employee without the prior approval of the National Board.
- c) Grants may not be made to organizations for projects, on which, to the responsible Program Director's knowledge, an employee's immediate family member would work, without the prior approval of the National Board. General support grants may be made to organizations in which, to the responsible Program Director's knowledge, an immediate family member is an employee or in which an immediate family member has a significant interest only if such employment or interest is disclosed in the grant documentation in accordance with SFM's Conflicts of Interest and Gift Policy.
- d) Staff members may conduct programming in fields in which they were previously employed. Great care must be taken to avoid even the appearance of a conflict of interest in this case, in particular if a grantee is a former employer of the staff member. In such cases, the relationship should be fully disclosed and discussed with the staff member's supervisor and appropriate steps taken to assure the transparency of the transaction.

4. Service on Boards of Grantee Organizations

Staff members who are invited to serve in their individual capacities (rather than at the request of the Foundation) as trustees or directors of a current or prospective grantee organization may accept such invitations only with the prior approval in writing of the Executive Director. Factors to be considered in evaluating such invitations include:

- a) Conflict of interest issues (for instance, whether the organization is a grantee or supplier of the Foundation or is likely to become one);

- b) Likelihood of time conflicts: whether the affiliation or assignment interferes with the individual's ability to carry out his or her Foundation responsibilities;
- c) Whether there is a strong relationship to the staff member's job at the Foundation or professional training;
- d) What professional benefits are likely to flow to the individual and to the Foundation; and
- e) Whether there is a possibility that the organization may misperceive the relationship as enhancing its chances of receiving Foundation funding.

5. Acceptance of Fees

- a) In general, staff members should not accept fees for service on Boards.
- b) Staff members may not accept fees from grantees for teaching assignments, employment or consultancies, board service or the like without the disclosure to and approval of the Executive Director.
- c) Expense reimbursement offered by non-grantees may be accepted. Expense reimbursement offered by grantees may not be accepted without the disclosure to and approval of the Executive Director.

6. Speaking Engagements and Articles for Publication

- a) Staff members are encouraged to maintain their professional credentials by undertaking speaking engagements and writing articles appropriate to their fields of interest, provided the time for preparation and delivery does not interfere with their Foundation responsibilities. When issuing public statements or publishing articles, books, etc., staff members must distinguish between activities carried out in their personal capacities and those carried out on behalf of SFM. Staff members must seek the prior approval of the Executive Director and the Communication Manager for any significant speaking engagements (e.g., television and radio appearances, speeches before large audiences, etc.) and publications carried out on behalf of SFM. Speaking engagements and publishing articles should be avoided in circumstances in which the interests of the Foundation or the safety of any of its staff or grantees might be adversely affected. Staff members are requested to send copies of speeches or papers to the Communication Manager soon after delivery.
- b) In writing or speaking in an individual capacity, staff members are expected to clearly so indicate and are encouraged to avoid comments that might adversely affect the interests of the Foundation. Whether or not it is appropriate to explicitly disclose the staff member's employment by the Foundation depends on the circumstances. If in doubt, the staff member should consult his or her supervisor or the Communication Manager.
- c) Staff members may not accept a fee, royalty payment, speaker's fee, expense reimbursement or the like from a grantee or supplier.

7. Political Activities

Staff members are free to engage in political activities in their personal capacities when, in the staff members' judgment, such activities, will not conflict with their ability to carry out Foundation responsibilities. Staff members should keep in mind, when making such decisions, the potential difficulty in outside perception in distinguishing between the staff members' personal and professional capacities. No political activities can be conducted

during a staff member's business day, or with the use of any Foundation resources, and staff members engaging in political activities must make clear that they are doing so in their individual capacities. Staff members must not use their affiliations with the Foundation when identifying themselves in connection with political activity.

8. Confidentiality-Disclosure of Information

Staff members are expected to exercise the utmost discretion in regard to all matters of Foundation business. They may not communicate any information known to them by reason of their position that has not been made public, except as may be necessary in the course of their duties or by authorization of the Executive Director. Nor shall they at any time use such information to private advantage. These obligations are not modified by participation in any activities described above and do not cease upon separation from the Foundation.

9. Compliance with Laws and Regulations

A variety of laws and regulations apply to the Foundation, the violation of which may carry civil or criminal penalties for the Foundation and/or the individual. It is the responsibility of each staff member to comply with all such laws and regulations. Staff members are also required to observe the laws and regulations of countries in which they travel, including each country's currency exchange regulations.

10. Accuracy of Financial Accounting and Reporting

The Foundation takes very seriously its obligation to comply with the highest standards of financial accounting and reporting. Staff members, in addition to complying with all applicable laws, rules and regulations, to the extent applicable to their duties must:

- a) endeavor to ensure full, fair, timely, accurate and understandable disclosure in the Foundation's filings;
- b) Record or participate in the recording of entries in the Foundation's books and records that are accurate to the best of their knowledge;
- c) Comply with the Foundation's disclosure controls and procedures and internal controls (including procurement procedures) and financial reporting; and
- d) Provide information that is accurate, complete, objective, relevant, timely and understandable.

Staff members are encouraged to report any allegations of wrongdoing regarding accounting, internal accounting controls, auditing or financial matters in accordance with the policy set forth below.

11. Policy for Reporting Concerns of Improper Activities

All of us at SFM are responsible for ensuring that SFM operates in an ethical and lawful manner at all times. This policy provides guidelines for bringing forth any serious concerns regarding illegal, unethical or other improper acts or practices that may have an impact on SFM. This policy applies to all SFM directors, Directors, employees, consultants, agents, grantees, vendors and volunteers.

Individuals are encouraged to discuss any good faith concerns about violations of any SFM policies or procedures, applicable laws or regulations, or any illegal, unethical or

other improper acts or practices, with any of the following: Program Director; Deputy Director; Finance Director; Human Resource Department; Executive Director; Board Chair. An individual may communicate concerns in person in a face-to-face meeting or may set them forth in writing. Such concerns could include acts or practices of directors, Directors, employees, consultants, agents, vendors or volunteers that, for example, constitute fraud, might lead to incorrect financial reports, or might violate contractual or other commitments of SFM.

All concerns shall be investigated to the extent possible. If it is determined that the alleged concern is a confirmed violation of policy, procedure or law, individuals responsible for the wrongdoing will be subject to appropriate disciplinary action, including termination for cause in serious cases.

a) Intent of Policy

SFM is committed to the highest possible standards of ethical and moral conduct in all its activities. SFM complies fully with all applicable laws and regulations and adopts and observes internal policies that support ethical behavior. SFM's internal controls and operating procedures are intended to detect and to prevent or deter improper activities. However, SFM recognizes that even the best control systems cannot provide absolute assurance of detection, prevention or deterrence. When suspected legal or ethical violations occur, SFM has the responsibility to investigate and correct the violations. This policy is intended to encourage individuals to report suspected improper activities and to provide guidance on the procedures for making reports under this policy.

b) Confidentiality

If an individual wishes, concerns may be submitted on a confidential basis and will be investigated to the extent possible. SFM will use its best efforts to protect a complainant's identity. It should be noted that appropriate investigation may not be possible unless the source of the information is identified. Serious allegations will require thorough investigation that makes it impossible for SFM to guarantee confidentiality in all cases.

c) Retaliation Prohibited

Any form of retaliation against an individual submitting a concern in good faith will not be tolerated. In addition, an individual shall not be adversely affected because he or she refuses to cooperate with, participate in, or conceal any violations of SFM's policies or procedures or of applicable laws or regulations, or any illegal, unethical or other improper acts or practices. However, the right to protection against retaliation does not include immunity for any personal wrongdoing. In addition, malicious, false or bad faith allegations may result in disciplinary action.