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## Codes of Ethics/Values Statements for Nonprofits

## Does your nonprofit need a code of ethics or statement of values?

It's useful to adopt a set of principles to guide a nonprofit organization's decision making and activities, as well as the behavior of its employees, volunteers, and board members. These principles could be called a "code of ethics" but they might be called the nonprofit's "statement of values" or "code of conduct," or something else. The purpose of adopting such a statement *formally* is to provide employees, volunteers, and board members with guidelines for making ethical choices and to ensure that there is accountability for those choices. When board members of a charitable nonprofit adopt a code of ethics, they are expressing their commitment to ethical behavior. Such a commitment goes a long way to earning the public's trust. Honesty, integrity, transparency, confidentiality, and equity are each examples of values that are typically expressed in a charitable nonprofit's code of ethics - but there may be other values that are very important to your nonprofit - and you may wish to spell those out so that the donating public, prospective employees, volunteers, and anyone who may be considering partnering with your organization, is aware of its values. The Council of Nonprofits encourages all nonprofits to craft an appropriate "statement of values" or "code of ethics" for your nonprofit. For some charitable nonprofits it may be appropriate that their codes incorporate standards already adopted by certain professional groups. (An example might be a charitable nonprofit that employs licensed clinical social workers may incorporate the <u>Code of Ethics of</u> <u>the National Association of Social Workers</u> into its own ethical code.) Other nonprofits may create their own statement that reflects that particular charitable nonprofit's unique mission, activities, and interaction with clients, volunteers, and the public. Whatever the nomenclature, crafting (and revisiting periodically) a written document that articulates the core beliefs of the charitable nonprofit can be useful for practical as well as ethical reasons.

## **Practice Pointers**

- Having a code of ethics or statement of values helps attract talented employees, recruit board members, retain donors, and of course ensure that all transactions are aligned with the values of the organization.
- Many organizations post their statement of values/code on their websites to be fully transparent and to demonstrate their organization's commitment to accountability.
- Nonprofits often engage with clients and consumers in ways that touch on confidential matters so adopting a <u>confidentiality policy</u> demonstrates the nonprofit's commitment to protect the confidentiality and maintain the trust of those it serves.
- Here are lots of ideas for ways your nonprofit can demonstrate <u>ethical</u> <u>leadership.</u>

## Sample statements

- Our Core Values (National Council of Nonprofits)
- Statement of Core Values (North Carolina Center for Nonprofits)
- <u>Code of Ethics</u> (Charles Stewart Mott Foundation)
- Equity & Inclusion Lens Guide (Nonprofit Association of Oregon)