

## **Turkish Philanthropy Funds**

### **Code of Conduct** Including Conflict of Interest and Confidentiality

Adopted by the Board of Directors on **March 5, 2007**

Revised on **May 14, 2014**

#### **I. Introduction**

The Turkish Philanthropy Funds is a publicly-supported charitable organization dedicated to its mission of “helping donors realize their philanthropic goals to meet community needs in the US and in Turkey.” The Foundation operates within the public trust, and strives to maintain the highest code of conduct in all of its operations.

The Foundation recognizes that it can best accomplish its mission when the Board of Directors, volunteer committee members, staff, and other groups associated with the Foundation represent the diverse interests, cultures, occupations, and expertise of the community. Thus, the Foundation recognizes that members of the Board of Directors and others representing or affiliated with the Foundation will from time to time face possible conflicts of interest or situations in which the appearance of conflict of interest could be detrimental to the Foundation and the communities it serves.

The Foundation also recognizes that its Board of Directors, volunteer committee members and staff are entrusted with confidential information important in serving fundholders, the community and the Foundation itself.

The Foundation adopts this Code of Conduct in recognition of its responsibility to the public trust, in recognition of the importance of fairness and objectivity in its conduct of business, as a means of assuring that every decision of the Foundation is made in the interest of the Foundation and the communities it serves, and as a means of publicly codifying its expectations of Board, staff, and volunteers, and others serving the Foundation.

This Code of Conduct applies to all persons holding positions of responsibility and trust on behalf of the Turkish Philanthropy Funds, including but not limited to members of the Board of Directors, volunteer Committee members, members of the Boards of Supporting Organizations to the Foundation, and members of the Foundation staff (hereinafter “Members.”) ***This Code of Conduct shall be provided to each Member at the time that he or she begins service with the Foundation and will be renewed on an annual basis.***

#### **II. General Policies and Expectations**

Members of the Turkish Philanthropy Funds are expected to commit themselves to ethical and professional conduct. This includes the proper use of authority and appropriate decorum.

Members must represent unobstructed loyalty to the interest of the Foundation. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, business interests, personal interests, or paid or volunteer service to other organizations. It also supersedes the personal interest of any staff or volunteer member acting as a consumer or client of the Foundation’s services.

It is the policy of Turkish Philanthropy Funds that no Member shall derive any personal profit or gain, directly or indirectly, by reason of his or her service to the Foundation.

There may be no self-dealing or any conduct of private business or personal services between any Member and the Foundation except those conducted in an open and objective manner to ensure equal competitive opportunity and equal access to information.

Board members or volunteer committee members must not use their positions to obtain employment in the Foundation for themselves, family members or close associates. If a Board member's family member seeks employment with the Foundation, he/she must not participate in any part of the search process. Should a Board or volunteer committee member desire employment, he or she must first resign.

Board and volunteer committee members may not attempt to exercise individual authority over the policies and operations of the Foundation except through their roles as voting members of the Board or volunteer committees. Staff members may not attempt to exercise individual authority over the policies and operations of the Foundation except through their specific job responsibilities and established supervisory structure.

Board members and volunteer committee members in their interaction with the press and the public must recognize the inability of any individual member of the Board or Committee to speak for the Foundation except as expressly authorized by the Board Chairman. Staff members in their interactions with the press and the public must recognize the inability of any individual staff member to speak for the Foundation except as expressly authorized by the President. The President serves as the official spokesperson for the Foundation. He/She can delegate this authority as needed and appropriate.

### **III. Policies on Conflict of Interest**

In conducting the affairs of the Foundation, duality or conflict of interest shall be presumed when a person to whom this policy applies or a member of his/her immediate family serves as a trustee, officer, staff member, or holder of more than 10% or greater ownership or beneficial interest (or, in the case of a partnership, a greater than 5% direct or indirect interest) of an affected organization or firm; has a formal affiliation or interest in an affected organization or firm; or could expect financial gain or loss from a particular decision.

Before a staff, Board, or volunteer committee member begins his or her service with the Foundation, and on an annual basis thereafter, he or she shall file with the President of the Foundation a list of his or her principal business activities, as well as involvement with other charitable organizations, vendors, or business interests, or with any other associations that might produce a conflict of interest. Each Member shall annually sign, and file with the President of the Foundation, a statement, which affirms that such Member, has: (i) received a copy of this Code of Conduct; (ii) read and understands the Code of Conduct; and (iii) agreed to comply with the Code of Conduct.

In addition to the disclosure required by the previous paragraph, each Member is under an obligation to the Foundation, to his or her fellow staff or volunteers, and to the community served by the Foundation to inform the Foundation of any position he or she holds or of any business or vocational activity which may result in a possible conflict of interest or bias for or against a particular grantee, action, or policy, at the time such grant, action, or policy is under consideration by the Board or any volunteer committee of the Foundation. Any duality or possible conflict of interest on the part of any Member shall be disclosed to the Chairman of the

Board (in the case of volunteers) or the President (in the case of staff members) and made a matter of record as soon as the issue in question is raised and a possible conflict is known.

When the Board, committee, or staff is to decide upon an issue about which a Member has an unavoidable conflict of interest, that Member shall physically absent herself or himself without comment from not only the vote, but also from the deliberation, unless directly requested by the Chairman of the Board or relevant committee to provide factual information or answer factual questions that may assist the Board or Committee in making a wise decision. In no case shall that Member vote on such matter or attempt to exert personal influence in connection therewith.

Disclosure and abstention shall be recorded in the minutes of the meeting(s) at which the issue is discussed and decided.

In any situation not specifically covered by the previous sections of this policy, Members shall consider carefully any potential conflict of their personal interests with the interests of the Turkish Philanthropy Funds and refrain from any action, which might be perceived as an actual or apparent conflict of interest.

If a related party has a substantial financial interest in a related party transaction, the Board or authorized Board committee must:

- (a) Prior to entering into the transaction, consider alternative transactions to the extent available;
- (b) Approve the transaction by not less than a majority vote of the directors or committee members present at the meeting; and
- (c) Contemporaneously document in writing the basis for its approval of the transaction, including consideration of any alternative transactions.

#### **IV. Examples of Appropriate Actions Related to Conflict of Interest**

Example 1. An officer or other paid employee of a bank or other financial institution, who is also a Board or Finance Committee member of the Foundation, should inform the Chairman of the Board of his or her potential conflict of interest and abstain from discussing or voting on the retaining, employing, or dismissing of his or her financial institution as an investment manager of the Foundation.

Example 2. A Board or Grantmaking Committee member, who is also a Board, staff, or Committee member of a proposed grantee, should inform the Chair of his or her conflict of interest and abstain from voting on or discussing any motion for or against the proposed grant, except as expressly requested by the Chair to provide factual information or answer factual questions that would be useful to the Board or Committee in its decision-making. If several grants are being voted upon concurrently, the Board or committee member must voice his or her conflict of interest to the Chair before the vote so that a vote on the grant with which there is a conflict may be taken separately.

#### **V. Confidentiality**

In the course of conducting the business of the Foundation, Members may be exposed to private or sensitive information about individuals, business interests and nonprofits, necessary to assist members in conducting the business of the Foundation. Members shall not disclose any such confidential and/or proprietary information except as a part of the proper discharge of the

Member's duties, recognizing that such information must be disclosed only as part of the transaction of the Foundation's business, as required by law or with the permission of the donor.

"Confidential and/or proprietary information" shall include but not be limited to the following:

- a. Employee applications, hiring, salaries, benefits, terminations, layoffs, promotions, disciplinary actions and other personnel matters of the Foundation.
- b. Donor identities (specifically when donor wishes to remain anonymous), addresses, contributions, contracts, agreements, correspondence, accounts, grants and other financial transactions with the Foundation.
- c. Grant applications, review comments and actions.
- d. Investment, asset development, membership and other committee activities.

Upon leaving the Foundation, Members may not take, keep or share any document or tangible evidence of confidential information or data belonging to, or under the control of, the Foundation; whether heard in a conversation, recorded in electronic or written form, whether an original or a reproduction.

Improper disclosure of confidential and/or proprietary information may be cause for dismissal from the Board, volunteer activities associated with the Foundation or employment, as well as, potential legal actions.

The Foundation will comply with both the letter and spirit of all public disclosure requirements, including the open availability of its Form 990 tax returns. This Confidentiality Policy shall not be construed in any manner to prevent the Foundation from disclosing information to taxing authorities or other governmental agencies or courts having regulatory control or jurisdiction over the Foundation. However, all staff, volunteers, and contractors must hold strictly confidential all information of a private nature, including, but not limited to, all items explicitly discussed in this policy.

## **VI. Duties of the Board Chairman and the President**

The Chairman of the Board shall be responsible for the application and interpretation of the Code of Conduct as they relate to Board members, volunteer committee members, or the President. The President shall be responsible for the application and interpretation of the above policies as they relate to members of the Foundation's staff and volunteers.

## **VII. Duties of Members**

Each Member has the affirmative responsibility to report to the Board Chair (in the case of concerns related to Board or committee members or the President) or to the President (in the case of concerns related to members of the staff) any and all knowledge of any action or conduct that appears to be contrary to this Code of Conduct.

# Turkish Philanthropy Funds

## Code of Conduct Disclosure Statement and Agreement to Comply with the Code of Conduct

*Turkish Philanthropy Funds requests your assistance in completing this Disclosure Form and Agreement to Comply in keeping with the Foundation's Code of Conduct, to identify relationships that may pose a potential conflict of interest. All information supplied on this questionnaire will be kept confidential and will only be used with your permission.*

Print Name: \_\_\_\_\_

Fiscal Year: \_\_\_\_\_

### **I. Disclosures**

#### **A. Corporate or business entities with which you or your spouse:**

- serve or have served as a trustee, director, officer, employee, consultant, partner or paid professional advisor, or
- holding an equity interest of 10% or greater
- in case of partnership, a greater than 5% direct or indirect interest

Please identify the corporate or business entity, you or your family's relationship to the entity and whether you have 10% or greater ownership or beneficial interest (or, in the case a partnership, a greater than 5% direct or indirect interest):

#### **II. Charitable or community organizations with which you or your spouse:**

- serve or have served as a trustee, director, officer, employee, consultant, or paid professional advisor.

Please identify the organization and you or your spouse's relationship to it.

Please list other business interests with which you or your spouse is connected that could potentially create a conflict of interest.

**B. Agreement to comply with the Foundation’s Code of Conduct**

I hereby certify that I have read and agree to comply with the Foundation’s Code of Conduct, including the requirements contained therein to inform the Foundation of any position my spouse or I hold or of any business or vocational activity which may result in a possible conflict of interest or bias for or against a particular grantee, action, or policy, at the time such grant, action, or policy is under consideration by the Board or any volunteer committee of the Foundation and to abide by the confidentiality requirements. I also agree to recertify my compliance with the Foundation’s Code of Conduct annually.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Relationship to the Foundation

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