

Policy on Sanctioning Council Members for Ethical Violations

Approved December 2022

Preamble: As a nonprofit membership association, the Council is dedicated to expanding trust in philanthropic organizations. While Council members aspire to practice our profession with integrity, honesty, and a commitment to maintain and strengthen public trust in our institutions, the Council is not an enforcement organization. The Council has created ethical principles for its members and the industry. We have also developed this policy to hold our members accountable to our ethical principles. This process strengthens the ability of the field to regulate itself and helps the Council fulfill its goal to help build trust in philanthropy.

Submitting a Complaint:

The Council will be open and responsive to information obtained from all sources, including Council members, Council staff, the media, and the general public. The substance of the complaint or misconduct and any supporting documentation or evidence should be submitted in writing via email, U.S. Mail, or other delivery service to the Council on Foundations.

Investigation and Confirmation: An inquiry will begin once the Council becomes aware of the alleged violations of legal or ethical practices. Council staff will compile a brief report on the allegation based on publicly available sources relating to the allegation for the review of the Ethics Task Force Chair to determine whether the full Ethics Task Force should conduct an initial inquiry. If not, the process is complete. If yes, an initial inquiry will begin by the Ethics Task Force contacting the member (both the CEO and the board chair of the member institution) to open a line of communication and share that a complaint has been filed and request information relevant to the inquiry. After information is received, the Ethics Task Force will conduct a detailed evaluation of the situation to determine and report their recommendation for action (or not).

Report to Council President/CEO & Board of Directors:

Upon conclusion of the initial inquiry, the Ethics Task Force will report to the Council President/CEO and board of directors if there appears to be an ethical violation and there is some likelihood that the allegations against the member are true (or not). Council staff will compile a report including the name of the organization(s) investigated, the date the allegations came to the Council's attention, the nature of the allegation and the facts underlying the conclusions reached. The report will also describe all contact with the member and the nature of those conversations. Based on the information collected and reported by the staff, the Ethics Task Force will determine whether an allegation contains sufficient merit to be considered for member sanctions (or not).

Recommendations may include:

- No action necessary – the Ethics Task Force notifies the Council Board of directors and President/CEO, the decision is documented, the member is notified, and the file is closed
- Further investigation necessary – the Ethics Task Force reports to the Council Board of directors and President/CEO about what information is missing and sets a deadline for the member to report back
- Probation – with or without Council benefits

- Private censure - a confidential statement finding that the member has violated the Council Ethical Principles and notice that if this behavior is repeated, it may lead to suspension or revocation of membership
- Public censure - a public statement detailing the misconduct of behavior and stating how the member has violated the Council Ethical Principles
- Revocation of membership – the act of stating that Council membership has been cancelled in response to a violation of the Council Ethical Principles

Final Resolution: The Council Board of Directors and Council President/CEO will consider the recommendations of the Ethics Task Force and determine, in its sole discretion, the final course of action to be taken. Revocation of membership may only be imposed where such revocation has been approved by 60 percent of the votes cast at a meeting of the full board. The Ethics Task Force will notify the member of the outcome of the investigation and what, if any, final action is being taken.

Appeal Process: Members will be given 14 days to correct any factual errors upon which the decision was based. Material changes in fact will be evaluated by Council staff and referred to the Ethics Task Force for further consideration if appropriate.

Communication of Final Decision: The Ethics Task Force will make the recommendation to the full Board of Directors of the Council and Council President/CEO of whether or not and to what extent to publish the result of any particular inquiry into alleged member misbehavior on a case-by-case basis. The Ethics Task Force will report the results of investigations conducted under this process to the full board regularly and continue to follow up with the member to monitor progress of the situation.

Power of the Full Board to Act: To facilitate timely and responsive administration of this policy, the Ethics Task Force is empowered to act on all matters under this policy, with the exception of applying the sanction of probation, revocation of membership and the issuance of public censure.

Archiving:

The Council will document in writing all decisions and conclusions related to complaints and sanctions and maintain such files according to its document retention schedule.