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## **ABC Sample NonProfit Organization Code of Ethical Financial Conduct**

### Introduction

This Code of Ethical Financial Conduct ("Code") applies to the Sample NPO ("SAMPLE ") Executive Director, treasurer, and board members and others with responsibility for accounting and financial reporting (collectively, "Board Directors").

This Code covers a wide range of financial and non-financial business practices and procedures. This Code does not cover every issue that may arise, but it sets out basic principles to guide all Board Directors of SAMPLE . If applicable law or regulation conflicts with a policy in this Code, each Board Director shall comply with the applicable law or regulation. If a Board Director has any questions about this Code or potential conflicts with a law or regulation, they should contact the Executive Director or chairman of the SAMPLE board.

Board Directors who violate the standards of this Code will be subject to disciplinary action, which may include termination of employment.

### Code Principles and Responsibilities

With respect to the financial operations of SAMPLE , each Board Director shall adhere to and advocate, to the best of his/her knowledge and abilities, the following principles and responsibilities:

1. Act with honesty and integrity, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
2. When disclosing information to constituents or to government agencies, provide information that is accurate, complete, objective, relevant, timely and understandable;
3. Comply with applicable law;
4. Act in good faith, with due care, competence and diligence, without misrepresenting material facts;
5. Protect and respect the confidentiality of financial information acquired in the course of his/her work except when authorized or otherwise legally obligated to disclose;
6. Refrain from using confidential information acquired in the course of his/her work for personal, material advantage.
7. Promote ethical behavior among colleagues;
8. Implement and maintain adequate internal control structures and procedures for financial reporting; and
9. Promptly report Code violations to SAMPLE 's board chairman or executive director.

### Waivers of the Code

Any waiver of this Code for Board Directors may be made only by the board of directors and will be disclosed in the board minutes. Requests for waivers must be made in writing to the

secretary of the board of directors prior to the occurrence of the violation of the Code.

Reporting of Violations of the Code, Illegal or Unethical Behavior

Board Directors should report observed violations of the Code and illegal or unethical behavior to the chairman or executive director. All reports will be treated in a confidential manner. SAMPLE shall not allow retaliation for reports made in good faith of misconduct by others. SAMPLE 's counsel will lead all investigations of alleged violations or misconduct. Board Directors are expected to cooperate in internal investigations of misconduct and violations of this Code.

Annual Certification

At least once per calendar year, each Board Director will sign the statement set forth in the form attached hereto as **Exhibit A**.

EXHIBIT A

*CODE OF ETHICAL CONDUCT FOR FINANCIAL MANAGER'S CERTIFICATION*

I, the undersigned, have received and reviewed a copy of the Sample NPO ("SAMPLE ") Code of Ethical Financial Conduct ("Code"), which, provides principles to which Board Directors (as defined in the Code) are expected to adhere. I recognize that Board Directors hold an important and elevated role in corporate governance. I am uniquely capable and empowered to ensure that SAMPLE and its stakeholders' interests are appropriately balanced, protected and preserved. Accordingly, the Code embodies rules regarding individual and peer responsibilities, as well as responsibilities to SAMPLE , other stakeholders and the public.

I certify to you that I adhere to and advocate the following principles and responsibilities governing my professional and ethical conduct, to the best of my knowledge and ability:

1. I act with honesty and integrity, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
2. When disclosing information to constituents or government agencies, I provide them with information that is accurate, complete, objective, relevant, timely and understandable; and
3. I comply with applicable law;
4. I act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing my independent judgment to be subordinated to personal, material gain;
5. I do not use confidential information acquired in the course of my work for personal, material advantage;
6. I promote ethical behavior among my colleagues;
7. I implement and maintain adequate internal control structures and procedures for financial reporting; and
8. I promptly report Code violations to SAMPLE 's chairman or a director.

\_\_\_\_\_ (Signature)

\_\_\_\_\_ (Print name)

\_\_\_\_\_ (date)