



## POLICY ON MISCONDUCT OF MEMBERS

Approved by the Governing Council on 10<sup>th</sup> November 2008

This document outlines the European Foundation Centre (EFC) policy in case one of its members is suspected of acting against the EFC Principles of Good Practice<sup>1</sup>, or *national or EU law*, or otherwise causing prejudice to the good reputation of the Centre or its members. However, the EFC reserves the right to apply the policy on a case-by-case basis. The policy applies to both individuals and organisations. If a member is self-correcting, the process may be stopped at any moment.

### 1) Information gathering

When the EFC hears or reads of official misconduct of one of its members through a complaint or a concern raised by a member or the EFC Secretariat, an initial inquiry will begin in-house. The EFC Membership department and Knowledge and Information Management department will within two days of hearing the news put together a dossier regarding the EFC member in question. The dossier should include all material found based on using internal resources and the media. At this point it is important to be clarify whether the accusations concern the foundation, or an individual in charge of the foundation or a company connected to the foundation. The investigations will be kept strictly confidential within the EFC Secretariat.

### 2) First conclusions

When the information has been gathered it will be passed to the Chief Executive of the EFC, who will decide whether there is enough reason to take the matter further.

### 3) Further investigation and formal report

In case the Chief Executive decides there are enough grounds for further investigation, he will inform the EFC Management Committee\*, and give them 5 days to respond to the matter. At this point the EFC Secretariat should also contact the member suspected of misconduct and give them the opportunity to bring their viewpoint to the attention of the Management Committee. If the Management Committee decides that the matter is serious enough, the Governing Council member from the country of the member, as well as the Donors' and Funders' Networks in Europe (DAFNE) member from the country of the member suspected of misconduct will be contacted to obtain further information. Based on this information, the EFC Secretariat will prepare a formal report on the matter. Should the Chief Executive deem that the investigation need not be taken further, a report of the closed investigation should still be made available to the Management Committee.

### 4) Evaluation by EFC Management Committee

Based on the formal report, the EFC Chief Executive will make a recommendation to the Management Committee for possible action. The formal report will be shared with the Management Committee, who evaluates whether the misconduct is in conflict with the EFC Code of Practice, or whether it can in other ways damage the reputation of the foundation sector. The Management Committee will then decide on possible further action based on the proposal of the Chief Executive as well as the provided information from the member in question.

### 5) Disciplinary action

If the Management Committee decides to take further action, it will:

- a) contact the member being suspected of misconduct to inform him/her that the disciplinary action is in progress

<sup>1</sup> <http://www.efc.be/ftp/public/EFCpublications/EFCPrinciplesGoodPractice.pdf>

- b) provide the member and opportunity to explain its actions and inform the EFC of any possible corrective action it is planning to take\*\*

Based on this explanation, the Management Committee may decide to:

- a) not take any further action
- b) Give the member a warning
- c) propose the revoking of the organisations's EFC membership

After the Management Committee has taken a decision on the matter, it will immediately be communicated to the EFC Governing Council. The decision may also be communicated to the DAFNE network if deemed appropriate by the Management Committee.

Revoking the membership of the EFC has to be approved by two-thirds majority of the members of the Governing Council in line with the Article V of the EFC Articles of Association.<sup>2</sup> This can be done by post in case the next Governing Council meeting is more than two months away. The decision of the Governing Council will be communicated to the EFC Membership.

\*In case a Management Committee or Governing Council member is suspected of misconduct, that organisation/individual will not be involved in any stage of the disciplinary process.

\*\*The member may do this in the language of the country where the member is from, if they wish. If there is no EFC Governing Council member from the country in question, the translation costs of the explanation will be borne by the EFC.

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<sup>2</sup> [http://www.efc.be/ftp/public/Governance/EFCCStatutes\\_2007Revision\\_English.pdf](http://www.efc.be/ftp/public/Governance/EFCCStatutes_2007Revision_English.pdf)

## ADDENDUM

### EFC PRINCIPLES OF GOOD PRACTICE

#### 1. PREAMBLE

The European Foundation Centre (EFC) Principles of Good Practice represent a shared vision of good practices and constitute a general recommendation to reinforce good practice, openness and transparency in the European foundation\* community. As such, they are intended to be of application both within the European Union and in the context of the wider Europe, and refer to both the national and international dimension of a foundation's work.

These guiding Principles also aspire to accommodate the approach of individual organisations within the European foundation community. Our sector encompasses a variety of organisations with diverse structures, sizes, cultures, policies and concerns, as well as various activities and procedures.

Every foundation in Europe is encouraged to respect the spirit in which these Principles are drafted and to use them as guidelines when (re)shaping their formal or informal ways of working.

\* For the purpose of this document, the term "foundations" may also refer to corporate funders.

#### 2. VALUES

Foundations are committed to the development and promotion of effective responses to specific social, economic, educational, scientific, health, cultural, civic, and environmental challenges, and other legitimate causes in today's society. They can fulfil their role by supporting third parties and/or by carrying out operational programmes at home and abroad.

They acknowledge the importance of acting for the public benefit and to serve the society at large. They seek to be responsive to society's needs and operate with due appreciation and respect of societal norms. They also stress the importance of pluralism and subsidiarity in today's society, both national and international.

They appreciate the importance of operating in accordance with donors' intent.

Foundations acknowledge the need and the value of independence and autonomy in their efforts to build a just, sustainable and pluralistic civil society. They recognise the need for the efficient use of resources and the exercise of good stewardship.

They are committed to transparency, accountability and self-regulation.

They acknowledge and act upon their responsibilities and obligations to multiple stakeholders, including public authorities, grantees and beneficiaries, and the public at large.

#### 3. PRINCIPLES

##### **Principle n°1: Compliance**

Foundations comply with the laws of the state in which they are based, and act in accordance with their bylaws. They comply with the international and European conventions to which their country of residency is party.

##### **Principle n°2: Governance**

Foundations have an identifiable decision-making body whose members and successors should be nominated in accordance with established principles and procedures, and act with the highest ethical standards.

##### **Principle n°3: Informed policies, operations and support programmes**

Foundations define a clear set of basic policies and procedures specifying their mission, objectives, goals and related programmes and review these on a regular basis.

##### **Principle n°4: Stewardship: management and finance**

Foundations promote efficient organisation and work while ensuring prudent and sustainable management, investment strategies and procedures, and use of resources for public benefit.

Foundations ensure proper accounting/bookkeeping according to established rules in the state in which they are headquartered. They may complement such rules with additional measures on a voluntary basis.

**Principle n°5: Disclosure and communication**

Foundations act in a transparent manner and comply with the regulations concerning transparency in force in the countries in which they operate. They may complement such regulations with additional measures on a voluntary basis.

**Principle n°6: Monitoring and evaluation**

Foundations organise appropriate monitoring and regular evaluation of their action and programmes.

**Principle n°7: Cooperation**

Foundations share their know-how and experience with peer organisations and other relevant stakeholders to advance good practice and cooperate whenever appropriate, to maximise their impact in their respective fields of activity.