



## STATEMENT OF VALUES & CODE OF CONDUCT<sup>1</sup>

### Introduction

The purpose of the Lock Haven University Foundation (“Foundation”) is to generate and manage resources for the benefit of Lock Haven University (“University”) and its students. The Foundation promotes the University’s programs of instruction, research and public service by providing financial and other forms of support; managing and investing its assets in accordance with its purpose and fiduciary responsibilities; and disbursing philanthropic gifts for the purposes designated by donors. The Foundation’s support is not intended to replace the obligation of the Commonwealth of Pennsylvania to provide for the basic needs of the University’s programs; rather it is intended to enhance the quality and scope. The purpose of the Statement of Values and Code of Conduct is to assure donors and beneficiaries that the Board of Directors (“Board”) and staff of the Foundation maintain and act according to the highest moral and ethical standards in the performance of its mission and responsibilities.

### Statement of Values

The Foundation is committed to the public good. It is accountable to the public and is a responsible steward of resources. Within the bounds of protecting donor privacy, it conducts its business transparently and with integrity and honesty. It is committed to excellence and to maintaining the public trust and inclusiveness. It respects the worth and dignity of individuals, pluralism and diversity.

### The Code of Ethics

- 1. Mission:** The mission of the Foundation is to generate and manage resources for the benefit of Lock Haven University and its students.
- 2. Personal and Professional Integrity:** All staff, board members and volunteers of the Foundation act with honesty, integrity and openness in all their dealings as representatives of the

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<sup>1</sup>Adapted from “Statement of Values and Code of Ethics for Nonprofit and Philanthropic Organizations” developed by the Ethics and Accountability Committee of the INDEPENDENT SECTOR and adopted by the Independent Sector Board, February 2003.

Foundation. The Foundation promotes a working environment that values respect, fairness and integrity.

- 3. Governance:** The Board of Directors is responsible for setting the mission and strategic direction of the Foundation and for the oversight of finances, operations and policies. The Board of Directors:
- a. Ensures that its directors shall have the requisite skills and experience to carry out their duties and understand and fulfill their governance duties acting for the benefit of the Foundation and its public purpose:
  - b. Enacted a conflict of interest policy to ensure that any conflicts of interest or the appearance thereof are avoided or appropriately managed through disclosure, recusal, as necessary and otherwise, as follows:
    - i. Annually, requires directors to read and to acknowledge in writing that they have acted in accordance with the conflict of interest policy;
    - ii. Annually, requires directors to disclose affiliations with other organizations and businesses;
    - iii. Requires directors to notify the Board of potential conflicts of interest, existing or new, when considering business matters;
    - iv. Requires that directors do not take part in meetings or vote on matters in which they have a personal financial interest, except to provide requested information and do not formally advocate on their own behalf;
    - v. Requires the Board of Directors to compare proposed transactions involving a director's company to other business interest against Market Value benchmarks; and
    - vi. Keeps written record of board-approved transactions involving directors.
  - c. Ensures that the Executive Director and appropriate staff provide the Board of Directors with timely and comprehensive information so that it can effectively carry out its duties;
  - d. Ensures that the Foundation conducts all transactions and dealings with integrity and the highest standards of ethics and honesty;
  - e. Ensures that the Foundation promotes working relationships with directors, staff, volunteers and beneficiaries that are based on mutual respect, fairness and openness;
  - f. Ensures that the Foundation is fair and inclusive in its hiring and promotion policies and practices for all directors, staff and volunteer positions;
  - g. Ensures that the Foundation's resources are responsibly and prudently managed to enable the Foundation to carry out its programs effectively; and,
  - h. Annually requires directors, staff and volunteers to read and to acknowledge in writing that they have acted in accordance with the Statement of Values and Code of Conduct.
- 4. Legal Compliance:** The Foundation is knowledgeable of and complies with all applicable laws, regulations, governmental policies and international conventions pertaining to its activities. In this regard, staff maintains current on federal and state laws and regulations generally as

applicable to the Foundation and specifically as appropriate to individual function. Foundation retains general legal counsel and relies on the advice of retained counsel. Where appropriate and necessary, Foundation seeks and relies on advice of outside legal counsel.

- 5. Responsible Stewardship:** The Foundation manages its funds responsibly and prudently:
  - a. It spends a reasonable percentage of its annual budget in pursuance of its mission
  - b. It spends an adequate amount on administrative expenses to ensure effective investment, accounting and information systems, internal controls, competent staff and other expenditures essential to professional management;
  - c. It compensates staff and any others who may receive compensation reasonably and appropriately;
  - d. Its fundraising costs are reasonable and take into consideration the variety of facts that affect them;
  - e. It does not accumulate operating funds excessively;
  - f. It prudently draws from endowment funds consistent with donor intent to support the University;
  - g. It ensures that its spending and disbursement practices and policies are fair, reasonable and appropriate to fulfill its mission and to support the University; and,
  - h. Its financial reports are factually accurate and complete in all material respects.
  
- 6. Openness and Disclosure:** Within the bounds of protecting donor privacy, the Foundation provides comprehensive and timely information to the public, the media, and all stakeholders and it's responsive to reasonable requests for information. All information about the Foundation fully and honestly reflects its policies and practices. Basic informational data, such as Form 990, program reviews and compilations, and audited financial statements are posted on the website or otherwise available to the public. Solicitation materials accurately represent policies and practices and reflect the dignity of the beneficiaries. Financial, organizational, and program reports are complete and accurate in all material requests.
  
- 7. Evaluation:** The Foundation reviews its programs for effectiveness at least once annually; is committed to improving program and organizational effectiveness; and is responsible to the changing needs of the University.
  
- 8. Inclusion and Diversity:** The Foundation promotes inclusiveness in its hiring, retention, promotion, board recruitment and in serving the University. Its staff, board and volunteers reflect diversity in order to enrich its programmatic effectiveness.
  
- 9. Fundraising:** In soliciting from the public and from donor institutions, the Foundation uses truthful materials. It respects the privacy concerns of individual donors; expends funds consistent with donor intent; and discloses important and relevant information to donors.

In raising funds from the public, the Foundation respects the rights<sup>2</sup> of its donors, as follows:

1. To be informed of the Foundation's mission, the way resources will be used and its capacity to use the donations effectively for their intended purposes;
2. To be informed of the identity of those serving on the Foundation Board of Directors and to expect the Board to exercise prudent judgment in its stewardship responsibilities;
3. To be assured their gifts are used for the purposes for which they were given;
4. To have access to the Foundation's most recent financial reports;
5. To receive appropriate acknowledgement and recognition;
6. To be assured that information about their donation is handled with respect and with confidentiality to the extent provided by the law;
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature;
8. To be informed whether those seeking donations are volunteers, employees of the Foundation or University, or hired solicitors;
9. To have the opportunity to decline to receive mailings and/or to be contacted by other means by the Foundation and/or the University Office of Alumni Relations; and,
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

**10. Certification:** I certify that I have read and acknowledge that I have acted and will act in accordance with this Statement of Values and Code of Conduct.

**Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Printed Name** \_\_\_\_\_

**Capacity** \_\_\_\_\_

**(Director, Staff, Volunteer, Student/Work Study)**

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<sup>2</sup> Adapted from A Donor Bill of Rights, developed by the American Association of Fund Raising Counsel, the Association of Healthcare Philanthropy, the Council for the Advancement and Support of Education, and the Association of Fundraising Professionals, and endorsed by the Independent Sector.