

The Ford Foundation
Staff Code of Conduct and Ethics

PURPOSE

The public purpose and tax exempt status of charitable organizations includes an obligation to maintain the public trust. The Ford Foundation has always taken this obligation very seriously and strives to set an example for the field of philanthropy in all of its activities. Accordingly, it is incumbent upon employees of the Foundation to conduct the affairs of the Foundation with a commitment to the highest standards of integrity. This includes acting at all times in an honest and ethical manner, in compliance with all laws and regulations and avoiding actual, potential or apparent conflicts of interest. Compliance with this Code of Conduct and Ethics will sustain a culture where honest and ethical conduct is recognized, valued and exemplified throughout the Foundation.

PROVISIONS

1. **Conflicts of Interest Generally**

Employees of the Ford Foundation have a full-time responsibility to the Foundation. A potential or actual conflict of interest occurs whenever an employee is in a position to influence a decision that may result in a personal gain for him or herself, any other employee or an immediate family member. (For the purposes of this policy “immediate family” means a staff member’s spouse or domestic partner, parents, siblings, children and in-laws.) An employee may not engage in activities that create a conflict between the interests of the Foundation and those of the employee. In certain circumstances, the Foundation may also be concerned about the appearance of a conflict of interest, even if no actual conflict has occurred.

2. **Gifts and Other Payments**

Except for gifts of nominal value or meals and social invitations that are in keeping with good business ethics and do not obligate the recipient, employees or members of their immediate families or domestic partners may not accept commissions, gifts, payments, entertainment, services, loans, or promises of future benefits from any person or entity relating to his or her Foundation assignment.

3. **Relationships to Suppliers**

Staff members with responsibility for issuing or approving orders for the purchase of supplies, equipment, or transportation, or for contracts for employment or services for the Foundation, may not have a significant interest in any supplier of supplies or services to the Foundation. Nor may staff members’ immediate family have such an interest. (“Significant interest” means any financial interest that may influence the judgment of the staff member in conducting the work of the Foundation.)

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4. **Employment, Consultancies and Teaching Assignments**

Since it is possible that non-Foundation part-time employment, paid consultancies or teaching assignments could interfere with the discharge of a staff member's Foundation responsibilities or create an actual or apparent conflict of interest with the Foundation, staff members generally should not accept such assignments, especially assignments with a Foundation grantee or supplier.

Exceptions may be made with approval of the President in the following circumstances:

- a) Where such arrangement will not interfere with the staff member's responsibilities to the Foundation, taking into account the staff member's commitments and responsibilities, such as travel, which may extend beyond normal working hours; and
- b) Where the arrangement will not affect, or appear to affect, the staff member's judgments on behalf of the Foundation.

5. **Foundation Grants and Consultancies**

- a) No Foundation employee may be the Responsible Program Officer on any grant to a grantee employing, either on staff or as a consultant, a member of the employee's immediate family.
- b) Individual grants and consultancies may not be made or given directly or indirectly (for example through Institute of International Education (IIE)) to a member of an employee's immediate family. Individual grants and consultancies may not be made or given to any relative of an employee without the prior approval of the President.
- c) Grants may not be made to organizations for projects on which, to the Responsible Program Officer's knowledge, an employee's immediate family member would work, without the prior approval of the President. General support grants may be made to organizations which, to the Responsible Program Officer's knowledge, an immediate family member is an employee or in which an immediate family member has a significant interest only if such employment or interest is disclosed in the grant documentation.
- d) Staff members may conduct programming in fields in which they were previously employed. Great care must be taken to avoid even the appearance of a conflict of interest in this case, in particular if a grantee is a former employer of the staff member. In such cases the relationship should be fully disclosed and discussed with the staff member's supervisor and appropriate steps taken to assure the transparency of the transaction.

6. **Service on Boards**

Staff members who are invited to serve in their individual capacities (rather than at the request of the Foundation) as trustees or directors may accept such invitations only with the prior approval in writing of the President. Factors to be considered in evaluating such invitations include:

- a) Conflict of interest issues (for instance, whether the organization is a grantee or supplier of the Foundation or is likely to become one);
- b) Likelihood of time conflicts: whether the affiliation or assignment interfere with the individual's ability to carry out his or her Foundation responsibilities;

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- c) Whether there is a strong relationship to the staff member's job at the Foundation or professional training;
- d) What professional benefits are likely to flow to the individual and to the Foundation; and
- e) Whether there is a possibility that the organization may misperceive the relationship as enhancing the chance of Foundation funding.

7. **Acceptance of Fees**

- a) In general, staff members may accept fees for the activities previously described.
- b) Staff members may not accept fees from grantees for teaching assignments, employment or consultancies, board service or the like without disclosure to and approval of the President.
- c) Expense reimbursement offered by non-grantees may be accepted. Expense reimbursement offered by grantees may not be accepted. The Foundation may reimburse the individual for otherwise unreimbursed travel and travel related costs as well as other reasonable expenses incurred during his or her participation in the other organization's activity if the supervising Vice President or, in the case of staff overseas other than the Representative, the Representative finds it appropriate to do so.

8. **Speaking Engagements and Articles for Publication**

- a) Staff members are encouraged to maintain their professional credentials by undertaking speaking engagements and writing articles appropriate to their fields of interest, provided the time for preparation and delivery does not interfere with their Foundation responsibilities. Possible speeches or articles should be discussed with the staff member's supervisor. The Office of Communications should be consulted on major presentations to large audiences, such as articles for a periodical or appearances on television or radio. The Office of Communications can provide additional guidelines for speeches and articles. Speaking engagements and publishing articles should be avoided in circumstances in which the interests of the Foundation or the safety of any of its staff or grantees worldwide might be adversely affected. Staff members are requested to send copies of speeches or papers to the Office of Communications soon after delivery.
- b) In writing or speaking in an individual capacity, staff members are expected to clearly so indicate. Whether or not it is appropriate to explicitly disclose the staff member's employment by the Foundation depends on the circumstances. If in doubt, the staff member should consult his or her supervisor or the Office of Communications.
- c) Staff members may not accept a fee, royalty payment, speaker's fee, expense reimbursement or the like from a grantee. Nor should a fee be accepted where the engagement concerns the staff member's professional responsibilities at the Foundation.
- d) Speaking or writing fees or expense reimbursement from non-grantees may be accepted with the prior approval of the employee's Vice President or, in the case of staff overseas other than the Representative, approval of the Representative. The Foundation may reimburse the individual for otherwise unreimbursed travel and travel related costs as well as other

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reasonable expenses incurred during his or her participation in the other organization's activity if a supervisor or Director finds it appropriate to do so.

9. **Political Activities**

Staff members are free to engage in political activities when, in the staff members' judgment, such activities will not conflict with their ability to carry out Foundation responsibilities. Staff members should keep in mind, when making such decisions, the potential difficulty in outside perception in distinguishing between the staff members' personal and professional capacities. No political activities can be conducted during a staff member's business day, or with the use of any Foundation resources. For further details see Human Resources Policy 1.36.

10. **Confidentiality - Disclosure of Information**

Staff members are expected to exercise the utmost discretion in regard to all matters of Foundation business. They may not communicate any information known to them by reason of their position that has not been made public, except as may be necessary in the course of their duties or by authorization of the President. Nor shall they at any time use such information to private advantage. These obligations are not modified by participation in any activities described above and do not cease upon separation from the Foundation.

11. **Compliance with Laws and Regulations**

A variety of laws and regulations apply to the Foundation, the violation of which may carry civil or criminal penalties for the Foundation and/or the individual. It is the responsibility of each staff member to comply with all such laws and regulations. Staff members are also required to observe the laws and regulations of countries in which they travel, including each country's currency exchange regulations.

12. **Honorary Degrees**

A staff member may not accept an honorary degree from a college or university without prior approval in writing of the President.

13. **Investment Activities**

Staff members who have knowledge, or are in a position to have knowledge, of proposed investments of the Foundation are subject to the Foundation's policies regarding use of confidential investment information and restrictions on personal securities trading. Such staff members should consult with the Office of the General Counsel for guidance on how to comply with these policies.

14. **Accuracy of Financial Accounting and Reporting**

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The Foundation takes very seriously its obligation to comply with the highest standards of financial accounting and reporting. Staff members, in addition to complying with all applicable laws, rules and regulations, to the extent applicable to their duties must:

- a) endeavor to ensure full, fair, timely, accurate and understandable disclosure in the Foundation's filings;
- b) Record or participate in the recording of entries in the Foundation's books and records that are accurate to the best of their knowledge;
- c) Comply with the Foundation's disclosure controls and procedures and internal controls and procedures for financial reporting; and
- d) Provide information that is accurate, complete, objective, relevant, timely and understandable.

To assist the Audit Committee of the Foundation's Board, the Foundation has established procedures for the receipt and treatment of complaints from staff members and others, including confidential, anonymous submissions by staff members, regarding accounting, internal accounting controls or auditing matters. Staff members with such complaints should report them in writing to the Associate General Counsel or the Director of the Office of Internal Audit. Complaints will be investigated and addressed promptly. Complaints may be made anonymously and, if requested by an employee, will be treated confidentially except to the extent disclosure (i) is made to members of the Audit Committee, the Foundation's General Counsel, counsel to the Foundation and counsel to the Audit Committee, (ii) is required by law, or in a regulatory or other proceeding, or (iii) is made to other staff who are necessary in the conduct of the investigation.

PROCEDURES FOR COMPLIANCE WITH THIS CODE

1. Reporting Requirements and Procedures

An employee must promptly disclose actual or potential conflicts of interest to his or her supervisor. When invited by an outside organization to serve in a capacity described above which requires approval, the staff member should write a memo requesting approval. The memo should set forth the details, including the amount of time that will be required; the benefit to the Foundation and staff member; the remuneration, if any, to the staff member; the possible cost to the Foundation; any travel cost to be reimbursed by the inviting organization; and the relationship of the organization to the Foundation.

The memo should be addressed to the President via the staff member's immediate supervisors, the appropriate Executive Officer, the Director of Human Resources, and the Executive Vice President, in that order. The Director of Human Resources will notify the staff member by memorandum of the decision.

All new exempt staff members must file Form FF-078, Interests in or Affiliations with Other Organizations, upon returning the contract letter. Human Resources will inform the new staff member

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of items that require approval and request that the procedure set forth above be followed. In January each year thereafter, all exempt staff members will be asked to complete a new Form FF-078. From the forms, Human Resources will prepare for the President's and Secretary's use at the May Trustees' meeting, a list of staff members' outside interests.

2. **Complaint Procedure**

If a staff member thinks he or she has, or in good faith thinks another staff member has, violated any provision of this Code, that staff member should immediately report the suspected violation to his or her immediate supervisor or other appropriate individuals within the Foundation (e.g. the Director of Human Resources, the Deputy Director of Human Resources or a Vice President of the Foundation). Individuals should not feel obligated to file their complaints with their immediate supervisor first before bringing the matter to the attention of one of the other Foundation designated representatives identified above. Reported violations of this Code will be investigated, addressed promptly and treated confidentially consistent with the need to investigate, prevent or correct the violation.

3. **Retaliation is Prohibited**

No one reporting an actual or suspected violation of this Code or other unlawful act in good faith will be subject to retaliation of any kind. Retaliation against an individual for reporting an actual or suspected violation of this Code in good faith or for participating in an investigation of a violation is a serious violation of this Code and may be subject to disciplinary action.