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**CODE OF ETHICS**

Approval Date: 06/2009

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**POLICY**

The Board of Directors will maintain a Code of Ethics for Board members, staff, and volunteers. All Board members will be given a copy of the Code of Ethics pledge, and will be expected to sign the code on an annual basis, agreeing to adhere to the provisions of that code.

The Code of Ethics will be discussed in orientation sessions for new Board members, staff, and volunteers.

**Code of Ethics Pledge for Board Members**

1. As a member of the Rotary Club of Des Moines Board of Directors, I **will**:
  - Listen carefully to fellow Board members and the Rotary Club of Des Moines staff;
  - Respect the opinion of other Board members;
  - Respect and support the majority decisions of the Board of Directors;
  - Recognize that all authority is vested in the Board of Directors when it meets in legal session and not with individual Board members;
  - Keep well-informed of developments that are relevant to issues that may come before the Board of Directors;
  - Participate actively in Board meetings, committees, and actions;
  - Call to the attention of the Board of Directors any issues that I believe will have an adverse effect on Rotary Club of Des Moines or those that the Board of Directors serves;
  - Refer member or staff complaints to the Board President;
  - Recognize that the Board member's job is to ensure that Rotary Club of Des Moines is well managed, not to manage Rotary Club of Des Moines;
  - Vote to hire the best possible candidate to manage Rotary Club of Des Moines;
  - Represent all constituents of Rotary Club of Des Moines and not a particular geographic area or special interest groups;
  - Consider myself a "trustee" of Rotary Club of Des Moines and do my best to ensure that Rotary Club of Des Moines is well maintained, financially secure, growing and always operating in the best interest of persons served;
  - Always work to learn more about the Board member's job and how to do it better; and;
  - Declare any conflict of interests between my personal life and my position on the Rotary Club of Des Moines Board of Directors, and avoid voting on issues that appear to be a conflict of interest.
2. As a member of the Rotary Club of Des Moines Board of Directors I **will not**:
  - Be unduly critical, in or outside of the Board meeting, of other Board members or staff members, or their opinions;
  - Use Rotary Club of Des Moines or any part of Rotary Club of Des Moines for unfair personal advantage or the unfair personal advantage of my friends or relatives;
  - Discuss the confidential proceedings of the Board of Directors outside the Board meeting;
  - Promise, prior to a meeting, how I will vote on any issue in the meeting; and
  - Interfere with duties of the Executive Director or undermine the Executive's authority.

**Code of Ethics for Organizational Management**

1. Conflicts of Interest
  - a. Every individual serving on the Board of Directors as well as all key employees are required to sign the organization's Conflict of Interest Annual Disclosure Form.
  - b. In this respect, all real or perceived conflicts of interest must be brought to the attention of the appropriate level of management for consideration and possible action.
2. Disclosure of financial information as required by federal and state law.
  - a. It is the policy of the organization that all regulations that require certain financial documents to be disclosed to the general public and donors will be followed as required by federal and state law.
3. Confidentiality of information.
  - a. It is the policy of the organization that financial information provided to the organization from members, contributors, customers, and employees will be safeguarded and subject to absolute confidentiality.
  - b. Information includes, but is not limited to:
    - i. Bank information and account numbers;
    - ii. Credit card information;
    - iii. Social Security information;
    - iv. Credit information.
4. Due diligence.
  - a. It is the policy of the organization that appropriate due diligence will be followed in all decisions and actions that will affect the organization. Additionally, all decisions and actions will be made in the best interest of the organization taken as a whole, and no individual will benefit personally at the expense of the organization.
5. Applicable federal and state nonprofit laws.
  - a. It is the policy of the organization that it will comply fully with all current federal and state nonprofit laws.
6. Accurate and timely financial reporting.
  - a. The accounting and financial reports will be accurate and prepared on a timely basis and distributed to Board of Directors members and key staff members as soon as practicable.
  - b. Monthly statements will include, but not be limited to:
    - i. The Statement of Financial Position (Balance Sheet);
    - ii. The Statement of Activity (Income Statement);
    - iii. Functional Statement(s) of Activity;
    - iv. Actual versus budget data;
7. Financial statements.
  - a. The organization will require an annual set of agreed upon procedures of the financial records and processes that will be performed by an independent accounting firm of Certified Public Accountants as recommended by the Audit Committee and approved by the Board of Directors.
  - b. The financial statements will be prepared under the supervision of Executive Director by an outsourced accountant who will be required to have expertise in nonprofit accounting and auditing procedures (preferably a CPA).
  - c. The organization will engage the services of a qualified club member or an independent entity to prepare the annual IRS Form 990.
  - d. The Audit Committee will make recommendations to the Board of Directors concerning the potential rotation of the CPA firm performing the annual agreed upon procedures on a five year basis.
8. Management letter.

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- a. If the organization receives a management letter accompanying the agreed upon procedures of the financial statements, the management letter will be distributed to Board members and key staff with the expectation of confidentiality.
9. Meeting with auditors.
- a. The Audit Committee shall meet with representatives of the CPA firm performing the annual agreed upon procedures as soon as practical after completion of the agreed upon procedures to examine the financial statements, IRS Form 990, and any comments or problems identified by the CPA firm. The Board of Directors is charged with fully discussing the reviewed financial statements and management letter issues.
10. Effective internal controls.
- a. To protect the assets of the organization, the Audit Committee will develop effective internal controls that will be implemented, monitored, and followed at all times.
11. Committees.
- a. The policies and procedures of the organization apply to all committees to ensure the operations and activities of such are consistent with those of the organization.
12. Alcohol and controlled substances.
- a. It is the policy of the organization to prohibit possession, sales, use, or being under the influence of illegal drugs or alcohol while engaged in the business of the organization.
  - b. Alcohol and drug abuse will not be tolerated. Violations of this policy may result in disciplinary action or termination.
  - c. Use of alcohol at appropriate club events is allowed with the prior approval of the Board of Directors during the budget process or in other board action.

**Violations of the Code of Ethics**

1. All Board of Directors members and employees are expected to report any violations of this code to the appropriate level of management. Violations may result in reprimands and possible terminations.

**PROCEDURE**

1. The Executive Director will administer the Code of Ethics policy of the organization. The Executive Director will make the Board of Directors aware of any reported violations of the Code of Ethics.
2. The Board of Directors will annually approve a code of ethics pledge for Board members. All Board members will be given a copy of the code of ethics pledge, and will be expected to sign the pledge on an annual basis, agreeing to adhere to the provisions of that pledge.
3. The organization will include a discussion of the code of ethics in orientation sessions for new Board and staff members and volunteers and will regularly address adherence to the code in their ongoing work.