

Other Sample Guidelines for Incorporating in the Codes of Conduct for Board Members and Staff of Non-governmental Organisations in Social Welfare Sector

Preamble

Non-governmental organisations (NGOs) may make reference to the Sample Codes of Conduct for Board Members and Staff of NGOs in the Social Welfare Sector for developing or updating their own codes of conduct. NGOs may also include in their codes of conduct the other sample guidelines provided below, having regard to their corporate values and operational needs as appropriate.

Other Sample Guidelines

Use of the Organisation's Funds, Assets and Resources

Board members and senior management / designated staff (e.g. approving authority) shall ensure that the Organisation's funds are used in a prudent and responsible manner to safeguard the Organisation's interest. They should only approve funds for any project / activity / expenditure item which falls within the ambit of the funds and can achieve the purpose of the funds.

Board members / staff shall particularly ensure that an open, fair and competitive mechanism is adopted for the procurement of goods / services / assets, sale of assets and recruitment of staff for the Organisation.

Board members / staff in charge of or having access to any assets of the Organisation, including funds, property, information, and intellectual property should use them solely for the purpose of conducting the Organisation's business. They should make the best use of the Organisation's assets and resources in terms of money, property, goods or services economically and effectively. Any appropriation of the Organisation's properties for personal use or personal gain is strictly prohibited and may amount to an offence under the Theft Ordinance (Cap. 210).

Outside Work of Staff

A staff member should avoid any outside activity which may impair the performance of his duties, distract his attention from them or give rise to a conflict of interest. If a full-time

staff member¹ wishes to take up concurrent employment / service, either on a regular or ad hoc basis, he should obtain the prior written approval of *[insert an appropriate unit / officer in the Organisation]*. The approving authority will take into consideration whether the employment / service would pose a conflict of interest with the staff's duties in the Organisation.

Gambling

Board members / staff should not engage in frequent or excessive gambling of any kind, or any games of chance involving high stakes. Board members / staff should not gamble with persons having official dealings with the Organisation. Gambling in the Organisation's premises is strictly forbidden.

Loans

Board members / staff should not accept a loan from or through the assistance of, any person or organisation having official dealings with the Organisation. There is, however, no restriction on borrowing from a licensed bank or financial institution.

A staff member shall be liable to disciplinary action if he uses a subordinate or a junior officer as a guarantor for a loan or a hire purchase agreement. He shall also be so liable if he acts as a guarantor for his supervisor or an officer at a rank senior than his. Similar, Board members should not use a staff member as a guarantor for a loan or hire purchase agreement, nor should a staff member act as a guarantor for a Board member.

Indebtedness

Board members / staff should avoid allowing themselves to get into a position where any debts they may have become unmanageable and other financial embarrassment which may bring the Organisation into disrepute.

Board members / staff are required to notify *[the Chairman or secretariat / insert an appropriate unit / officer in the Organisation]* if proceedings are taken against them with a view to bankruptcy. Board members / staff who become insolvent or bankrupt², even though no proceedings have been taken against them yet, should also report their case to the

¹ The Organisation could consider including in this requirement any part-time staff who, if taking up outside job, may give rise to potential conflict of interest with their official duties.

² Individual voluntary arrangement (IVA) is an alternative to bankruptcy under the Bankruptcy Ordinance. A member/staff taking up an IVA is regarded as insolvent and should report the case to the Organisation.

Organisation. Staff having financial problems which they may not be able to manage should approach [*insert an appropriate unit / officer in the Organisation*] for advice and assistance. Where serious pecuniary embarrassment results in impairment of a staff's work performance, the staff member may be subject to administrative action.

Supervisory Accountability

All staff who have a responsibility to supervise and direct subordinates should embrace a two-fold responsibility, namely –

- the satisfactory discharge of his own duties; and
- his duties as a supervisor.

A supervisor will be asked to account for wrongdoings or omissions by his subordinates, if these wrongdoings or omissions are serious, repeated or widespread that by reasonable diligence the supervisor should have known of them had he exercised the level of leadership, management and supervision required of his position.

As a supervisor, a staff member should –

- provide adequate guidance, advice, counselling and training for staff;
- monitor the conduct and performance of staff to ensure that they meet the standards required;
- be alert to signs of malpractice in the work place (e.g. unauthorised absence from work); and
- take prompt and decisive action to handle misconduct and poor performance.