



OWH Constitution-Articles of Association

January 2021

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1. Organizational Background

OWH is a Non- Governmental, Non-Political, Non-Profit and Independent organization established in Afghanistan in the year 2017, by private initiative, resulting from the voluntary actions of individuals who have chosen to pursue a shared interest and concern.

OWH is registered with the Ministry of the Economy, Ministry of Finance and Ministry of Public Health of Afghanistan.

OWH team have extensive experience for the implementation of the projects supported by almost all the donors that had and have been working in Afghanistan e.g. World Bank, UNICEF, WHO, WFP, UNFPA, UN-OCHA, GAVI/HSS, ACF, MSF, MSH, USAID, UNDP in almost all the areas of the Afghanistan.

2. Vision Statement:

OWH's vision is a Developed, Educated, Prosperous, and Healthy community. Where everyone is eligible to the same standards of services without any discrimination and biasness.

3. Mission Statement:

OWH strive to offer the highest quality of the healthcare, educational, Welfare and livelihood services to the people; by using the proven blend of the ancient and new knowledge's, tempered by the research and experience of the top professionals.

OWH's mission is to provide quality services with a sense of friendliness and individual pride that will be accessible to the wider population.

4. Preface

The purpose of the Constitution is to set the rules and pathways for the staff to manage the organization in the best possible way.

The Constitution is designed as a tool to help OWH assess whether its policies and practices are currently in alignment with the Code of Ethics & Conduct for NGOs.

The Code of Ethics and Conduct for NGOs is a set of fundamental principles, operational principles, and standards to guide the actions and management of non-governmental organizations. Developed under the auspices of the World Association of Non-Governmental Organizations (WANGO), the Code was formulated by an international committee representing the wide spectrum of the non-governmental community and included input from NGO leaders from all regions of the world.



Numerous standards and codes of conduct and ethics from NGOs and NGO associations worldwide were consulted in formulating this code.

The Code of Ethics and Conduct for NGOs is designed to be broadly applicable to the worldwide NGO community. It applies whether the organization is a mutual benefit NGO, involving an association concerned with improving the situation of its membership, or a public benefit NGO, which is working for the improvement of conditions of society as a whole or of a segment of society. The Code is applicable for organizations focused on international agendas as well as those seeking to improve local community affairs. The Code's standards are applicable regardless of an NGO's focus, whether it be humanitarian relief, advocacy, conflict prevention, research, education, human rights monitoring, health care, environmental action, and so forth.

All NGOs, even the most sincere and selfless, can benefit from a code of ethics and conduct that systematically identifies ethical practices and acceptable standards. The adoption and internal enforcement of a suitable code not only provides an ethical check for an NGO, it also serves as a statement to beneficiaries, donors and the public that the NGO takes seriously the importance of maintaining high standards. Such a code can assist stakeholders in identifying and avoiding “pretenders” and irresponsible NGOs.

The Constitution is designed to be used as both a checklist and a catalyst for discussion for OWH staff to review, reflect, and discuss core principles, standards and ways of conducting services and activities. It also forms the basis for self-certification of the NGO.

A. Responsibility, Service, and Public Mindedness

Sustainable progress, peace, and justice require that all organizations contribute to the common good. Thus, OWH also integrates self-development and service to others, balancing individual and public concerns, focusing on higher, broader, and more public levels of service.

OWH conducts its activities for the sake of others, whether for the public at large or a particular segment of the public.

- ❖ Public money must not be misused for selfish purposes and all public assets are to be treated with utmost seriousness, as a public trust.
- ❖ OWH should exhibit a responsible and caring attitude toward the environment in all of its activities.



B. Cooperation beyond Boundaries

Significant progress toward world peace and global well-being can be fostered through inter-religious, intercultural, and interracial work, and across artificial barriers of politics and ethnicity that tend to separate people and their institutions. OWH maintains ethical, cooperative relationships with other NGOs, and facilitates partnership where possible and appropriate for the sake of the greater public good.

- ❖ OWH is willing to work beyond borders of politics, religion, culture, race and ethnicity, within the limits of the organizing documents and with organizations and individuals that share common values and objectives.

C. Human Rights and Dignity

As the Universal Declaration of Human Rights states, "All human beings are born free and equal in dignity and rights, are endowed with reason and conscience, and should act towards one another in a spirit of brotherhood." (Universal Declaration of Human Rights, Article 1) The family is the fundamental natural group unit of society promoting human rights and human dignity. (Universal Declaration of Human Rights, Article 16)

- ❖ OWH do not violate any person's fundamental human rights, with which each person is endowed.
- ❖ OWH recognize that all people are born free and equal in dignity.
- ❖ OWH is sensitive to the moral values, religion, customs, traditions, and culture of the communities they serve.
- ❖ OWH respect the integrity of families and support family-based life.

D. Religious Freedom

Everyone has the right of freedom of thought, conscience and religion; OWH respect the religious freedom of every one working with the organization and that of the community.

E. Transparency and Accountability

OWH strive for openness and honesty internally and toward donors and members of the

public.

- ❖ OWH remains transparent in all of its dealings with the government, the public, donors, partners, beneficiaries, and other interested parties, except for personnel matters and proprietary information.
- ❖ OWH's basic financial information, governance structure, activities, and listing of officers and partnerships is open and accessible to public scrutiny and the NGO is to make effort to inform the public about its work and the origin and use of its resources.
- ❖ OWH is accountable for its actions and decisions, not only to its funding agencies and the government, but also to the people it serves, its staff and members, partner organizations, and the public at large.

F. Truthfulness and Legality

OWH remains honest and truthful in its dealings with its donors, project beneficiaries, staff, membership, partner organizations, government, and the public in general, and respect the laws of any jurisdiction in which it is active.

- ❖ OWH will always give out accurate information, whether regarding itself and its projects, or regarding any individual, organization, project, or legislation it opposes or is discussing.
- ❖ OWH will not engage in any activities that are unlawful under the laws of the nation in which it is organized or works, and must be strongly opposed to, and not be a willing partner to, corruption, bribery, and other financial improprieties or illegalities.
- ❖ OWH have a policy for staff and volunteers to confidentially bring evidence to the governing body of misconduct of anyone associated with the organization.
- ❖ OWH strive to meet all of the legal obligations in the countries in which it is organized or works. Such obligations may include laws of incorporation, fundraising legislation, equal employment opportunity principles, health and safety standards, privacy rules, trademark and copyright legislation, and so forth.
- ❖ OWH will always take prompt corrective action whenever wrongdoing is discovered among its staff, governing body, volunteers, contractors, and partners.

G. Nonprofit

OWH is organized to operate as a not-for-profit organization. Any surplus that is generated through its operations is to be utilized solely to help the organization fulfill its mission and objectives. No part of the net earnings of the NGO is to inure to the benefit of the directors, officers, members or employees of the organization, or to any other private persons, except that the Organization may provide reasonable compensation for services provided to the organization.

H. Trade or business.

The organization is not to be operated for the primary purpose of carrying on a trade or business, unrelated to its mission and stated objectives.

I. Governing instrument.

OWH's governing instrument shall prevent the organization from distributing profits or assets for the benefit of individuals both during operation and when winding up.

J. Non-governmental.

The organization is not to be part of, or controlled by, government or an intergovernmental agency.

K. Politically independent.

The organization shall maintain independence and not be rigidly aligned or affiliated with any political party, although it may share a common political or legislative cause within the limit of its mission, stated objectives and legal structure. By itself, being non- governmental does not mean that OWH is prohibited from political activity, However, OWH is permitted to do political and legislative activity shall only engage within the limit of its mission and stated objectives.

L. Foreign policy.

The organization shall not act as an instrument of government foreign policy, but act independently of governments. The NGO shall not seek to implement the policy of any government, unless it coincides with the mission of the organization and the organization's own independent policy.

M. Independent and Self-Governing



M.1 Independent.

The organization shall be independent. Its policies, vision, and activities shall not be determined by any for-profit corporation, donor, government, government official, political party, or other NGO.

M.2 Self-governing.

The organization shall govern itself autonomously, according to whatever governance structure it selects for itself. It shall be equipped to control its own activities.

N. Voluntary

.N.1 Voluntary values and principles.

OWH is formed by private initiative, resulting from the voluntary actions of individuals who have chosen to pursue a shared interest or concern. The retaining of voluntary values and principles shall remain a primary force in the way of working of the organization.

N.2 Contributions from volunteers.

In order to achieve its mission and objectives, the organization is to have meaningful contributions from volunteers. These may include both the target group and supporters.

N.3 Volunteerism of governing board.

Those who are part of the NGO's governing body (generally the board of Trustees) are to serve in a voluntary capacity, for no pay.

O. Activities

Activities shall be consistent with the OWH's mission, the organization's focus shall be directed toward making sure that its goals are met.

P. Effective and Efficient.

The programs of the organization shall effectively and efficiently work toward achieving its stated mission.

Q. Feedback.

The organization shall regularly seek feedback on its activities from project beneficiaries, as well as other stakeholders.

R. Evaluation.

The activities of the organization shall be critically examined periodically and when required to determine their relevancy to the mission, their efficiency and effectiveness, the value of continuing the programs or revising them, and the need for new programs. Among issues to evaluate: (1) whether the activities are consistent with the current mission of the organization or whether they need to be revised or discontinued in light of changes in the mission; (2) the efficiency and effectiveness of the programs in achieving the organization's objectives; (3) the outcomes for the program beneficiaries; (4) the cost of the program relative to its outcomes; and (5) whether new services should be offered. Evaluations shall be open and honest and include input from stakeholders.

S. Professionalism.

The organization shall carry out its activities with professionalism and centered on the concept of serving others.

T. Percentage of expenditures.

The organization shall spend at least 85% of its total expenditures (including fundraising costs) on program activities. If the organization does not meet this 85% standard, it should provide reasons why its higher overhead costs. Possible explanations for not meeting this standard could be the higher administrative, Organization's Stability and fundraising costs and exceptions related to donor restrictions or unusual political and social factors.

U. Governance

An effective governance structure and a strong, active, and committed governing body is crucial to the soundness of an organization and its ability to achieve its mission and objectives. The plan of governance of Organization should reflect the core values, mission, and cultural standards of the organization. Democratic principles should be used where applicable.

The governing body of Organization (board of trustees) holds ultimate responsibility for all activities

and resources of the organization. This includes establishing the direction of the organization, beginning with its mission statement, and assuring that the mission statement is appropriate and relevant as times change. The governing body also determines the organization's activities and monitors their compliance with the mission. The governing body exercises responsibility for obtaining and appropriately employing the human and financial resources to carry out the organization's mission and sustain the organization, and oversee fiduciary and legal requirements.

U.1 Governance Structure

U.1.1 Plan of governance.

The Organization must establish a plan of governance that best allows it to fulfill its mission, and reflects the core values and cultural standards of the organization.

Democratic principles are to be used where appropriate and applicable.

U.2 Structure of the Governing Body

U.2.1 Composition and Eligibility Requirement for Governing Body:

The Organization's governing body shall consist of individuals who are dedicated to the mission of the organization, willing to volunteer their time and energies toward achievement of the mission, and able to offer substantial contributions to the organization. Among resources they may bring to the governing body are experience and wisdom; prestige; the ability to raise money for the organization; and professional skills, such as legal, accounting, management, fundraising and marketing.

The governing body is to have at least five unrelated members. Family relationships are accepted between two members at most, but then the board should have seven or more members.

The organization shall have a policy restricting the number of paid staff who are voting members of the governing body, ideally to no more than one person or 20% of the governing body. An indirectly or directly compensated person should not serve as the governing body's chairman or treasurer.

U.2.2 Term limits.

Term limits are to be established for membership on the governing body. Ideally, individual terms should be set at a maximum of three years, no more than three consecutive terms should be allowed, and at least one year should be required before a member becomes eligible for re-election after

completing the maximum number of consecutive terms.

U.2.3 Nominating committee.

Before the end of the term, the members of the Governing Body shall announce the required member's position publically and nominate the upcoming members of the board.

The vacancy should be announced publically and in some times the selection of the candidates by single source procedure is also acceptable if agreed upon by the members of the board.

The vacancy must have all the information for the members to be part of the governance body.

U.2.4 Diversity.

The governing body should have broad representation, reflecting the diversity of the Organization's constituencies. The Organization may enhance participation of members from diverse geographical distances if the organization's bylaws, and the local or national law, allow meetings via such technologies as teleconferencing.

U.2.5 Compensation.

Members of the governing body are not to receive compensation for their board service. They may receive reimbursement for expenses directly related to their board duties.

U.3 Responsibilities of the Governing Body

- ❖ **Mission statement.** The governing body shall establish the direction of the Organization, by creating or adopting the mission statement, reviewing it periodically for accuracy and validity, and revising it as necessary or desirable.
- ❖ **Programs and compliance.** The governing body shall determine the Organization's programs and services, and monitor their compliance with the mission and their effectiveness and efficiency.
- ❖ **Resources.** The governing body shall ensure the organization has the proper resources to fulfill the mission.
- ❖ **Annual budget and fundraising.** The governing board shall approve the annual budget and



actively participate in the fundraising process. In approving the annual budget, the governing body is to ascertain the percentage of the resources spent on administration and fundraising, versus program expenses, and strive for a goal of at least 85% of revenue being used for programs.

- ❖ **Resource management.** The governing body shall manage the resources effectively, and provide oversight regarding fiduciary and legal requirements.
- ❖ **Hiring of Director General and Executive Director and evaluation.** The governing body shall hire the General Director and Executive Director, undertaking a careful search process to find the most qualified individual. The governing body also shall set the compensation, ensure that he or she has the moral and professional support needed to advance the goals of the Organization, and periodically evaluate his other performance.
- ❖ **Strategic planning.** The governing body shall actively participate with the staff in long-term and short-term strategic planning processes, including defining goals and objectives and the success of the Organization toward achieving its mission.
- ❖ **Code of ethics and conduct.** The governing board shall approve a code of ethics and/or conduct for the Organization, and assure that the organization is in compliance with this code.
- ❖ **Ambassadors for the Organization.** Members of the governing board shall serve as ambassadors for the organization, articulating its mission, accomplishments and goals to the public, and garnering support for the organization.

U.4 Conduct of the Governing Body

- ❖ **Meetings of the governing body.** The governing body, and any subset of the governing body (executive committee) which is authorized to conduct the affairs of the organization between meetings of the governing body, are to meet as frequently as is necessary to fully and adequately conduct the business of the organization. At a minimum, there should be a least 2 meetings annually of the governing body, or the governing body and the executive committee combined. If face-to-face meetings are not required by local or national law and the organizing documents, then communication technologies can aid in conducting frequent meetings.
- ❖ **Minutes.** Minutes of each meeting of the governing body and executive committee, and reports of each committee when acting in the place of the governing body, are to be produced,



distributed to each member of the governing body, and archived for future reference. The minutes also are to be available to an association's membership, officers, staff, and the general public, with the exception of discussions related to personnel evaluation and other such confidential information.

- ❖ **Responsibility for conduct.** The governing body shall be responsible for its own conduct. The governing body is to establish written expectations for board members (including expectations related to service on committees, attendance at meetings, and participation in fundraising and program activities), and annually evaluate its own performance. If not already established in the organizing document, the governing body is to establish job descriptions for its officers (chair, treasurer, secretary, etc.).
- ❖ **Best Interest of the NGO.** In serving on the governing body, directors shall put organizational goals before personal goals, and put the best interests of the organization ahead of individual desires.
- ❖ **Matters impacting a director.** No director shall participate in deciding a matter directly impacting that individual (such as re-election to the governing body, personal remuneration, etc.)
- ❖ **Disclosure.** Each director shall disclose all potential and actual conflicts of interest, including each institutional affiliation he or she has that might possibly involve a conflict of interest (such as sitting on a board of another Organization with overlapping goals and missions). Such disclosure does not preclude or imply ethical impropriety.
- ❖ **Written conflict of interest policy.** The governing body shall develop a written conflict of interest policy, which is applicable to the directors and to any staff and volunteers who have significant decision-making authority regarding the organization's activities or resources, as well as relevant organizational partners.
- ❖ **Signature.** The governing body shall provide its members with the written conflict of interest statement, which should be signed by the individual at the outset of each term of service.
- ❖ **Loans to members of the governing body.** If an Organization has provision for making loans to members of the governing body, there shall be a policy describing how the loans operate. All loans or transactions with members of the governing body are to be included in the NGO's full financial reports and publicly disclosed.

U.5 Management Team:

OWH Management should be a composition of the professional, experienced and committed staff, the top management team comprises of;

- General Director
- Executive Director
- Internal Auditor
- Technical Director
- Operations Director
- M&E Directors
- Departmental Heads

The General Director, Executive Director and Internal Auditor will be directly reportable to the Board of Trustees, the TOR of the mentioned staff will be developed by the Board of Trustees, and the follow of their activities will also be the responsibility of the Board.

The selection of the staff for the General Director and Executive Director will be made by assessing their performances and the prevailing environment.

V. Conflict of Interest

- ❖ **Written policy.** The Organization shall provide staff who have decision-making power a written statement of how they shall handle potential conflicts of interest. Ideally, this statement will be signed by each individual at the time of their beginning service with the NGO and periodically thereafter.
- ❖ **Disclosure.** Each officer shall disclose each institutional affiliation that he or she has that might possibly involve a conflict of interest.
- ❖ **Gifts.** The NGO shall establish a code of conduct regarding gifts to staff members, such as requiring that staff refuse all significant gifts connected with their position, or turn them over to the organization.



- ❖ **Using position for personal benefit.** Staff members shall refrain from using their official position, either regular or volunteer, to secure special privilege, gain or benefit for themselves.
- ❖ **Loans.** If the organization has provision for making loans to staff, there is to be a policy describing how the loans operate and all loans shall be disclosed to the governing body.
- ❖ **Best interests of the NGO.** Employees and staff should put organizational goals before personal goals, putting the best interests of the entire program ahead of individual desires.

W. Human Resources

A committed, capable and responsible staff is vital for the success of an Organization. The foundation for this is effective human resource policies. These should address both paid employees and unpaid volunteers, given the use of volunteers in many roles, including in management and as individuals rendering program and support services. OWH seek qualified staff, offer them proper training and supervision, treat them with fairness and equity, and provide them with avenues for individual growth and development. On the other hand, OWH expect employees and volunteers to maintain the highest standards of professional and personal conduct, use information and resources responsibly, and avoid conflicts of interest.

W.1 Responsibilities of the OWH

- ❖ **Capable and responsible staff.** The organization shall seek capable and responsible employees and volunteers (collectively, “staff”), who are committed to the mission of the organization.
- ❖ **Training and working conditions.** The organization shall provide proper training and orientation for new staff, and provide them with suitable working conditions.
- ❖ **Written human resource policies** OWH is to have written human resource policies (or an employment manual) for its staff, including basic aspects of employment (benefits, vacation days, sick leave, etc.), and other fundamental policies such as confidentiality of information, computer policies (use of computer resources for personal work, ownership of computer resources), drug and alcohol policy, conflict of interest, and grievance procedures.
- ❖ **Staff growth and development.** The organization shall provide opportunities for individual growth and staff development, and foster an atmosphere whereby supervisors encourage personal growth of staff.



- ❖ **Fairness and rights.** All staff shall be treated with fairness and equity, and as individuals with rights to be honored and defended. Their rights to freedom of association, conscience and expression must be respected and protected.
- ❖ **Code of ethics and conduct.** Each staff member shall be provided with the Organization's code of ethics and/or conduct and any written human resource policies.
- ❖ **Communication of serious concerns.** Key staff shall be enabled to communicate serious concerns to a member of the governing board or officer.
- ❖ **Standards and responsibility.** Staff shall be encouraged and guided in maintaining the highest standards of professional and personal conduct, and in taking personal and professional responsibility for their actions and decisions.
- ❖ **Confidentiality.** Guidance shall be provided staff with access to official documentation or information regarding maintenance of the integrity, confidentiality, and privacy of such information to protect any individual concerned.

X. Public Trust

Trust is the lifeblood of organization — trust by the public, trust by the media, trust by the government, trust by corporations, trust by donors, trust by other NGOs, trust by beneficiaries, and trust by its employees and those who volunteer their time. To develop and maintain trust, each NGO should exhibit genuine public accountability and transparency, and should be honest in the information that it makes available to the public.

- ❖ **Accuracy and timeliness.** Information provided about the organization to donors, members, clients, staff, and the general public shall be accurate and timely.
- ❖ **Annual report.** At least annually, the organization shall prepare and make available to the public information on its programs and services, and provide public access to appropriate records of those programs and services.
- ❖ **Financial information.** OWH annually shall prepare and make available to the public basic financial information on the organization, including the source of its funding; the use of those funds; the percentage of the funds used for service and programs, administration activities, and fundraising; and any compensation provided to the governing body. OWH shall also provide



public access to appropriate financial records.

- ❖ **Listing of governing body and officers.** The organization shall make available the names of its governing body and management staff, publicize any changes in its governing board, and provide access to appropriate minutes of meetings of its governing board.
- ❖ **Partnerships.** The organization shall make available, in a timely and accurate manner, information on any partnerships or other joint ventures into which it has entered.
- ❖ **Confidentiality.** The organization shall maintain the confidentiality of personal information on staff, clients and others, unless the individuals waive this right, or disclosure is required by law.
- ❖ **Comparison.** The organization shall describe itself in terms of its own merits, not in depreciation of other NGOs. Communications regarding another NGO shall not be made with the purpose of creating a self-benefit at the expense of the other.
- ❖ **Communications channel.** The organization shall provide a communication channel for the public should they wish to make inquiries regarding the NGO and its activities.
- ❖ **Disclosure.** The NGO shall assign at least one person to assure that the organization is complying with national and local laws regarding disclosure of information to the public.
- ❖ **Accuracy and in context.** Information that the organization chooses to disseminate to the media, policy makers or the public must be accurate and presented with proper context. This includes information presented by the Organization with respect to any legislation, policy, individual, organization, or projects it opposes, supports, or is discussing. Forward-looking projections are to be presented clearly as such, and not as fact.
- ❖ **Verbal and written statements.** The organization shall have clear guidelines and approval processes for the issuing of verbal and written statements.
- ❖ **Disclosure of bias.** The organization shall present information in a fair and unbiased manner. Where a possible bias is unavoidable or inherent, it is to be disclosed.
- ❖ **Authority for statements.** OWH's statements must reflect its actual authority.



Y. Financial and Legal

OWH should have proper financial and legal procedures and safeguards in place, not only to stay within the law, but also as a measure of the organization's health and to assure donors, members, and the general public that investments in the organization are safe and being correctly used. OWH should employ sound internal financial procedures, maintain financial records carefully, and make financial statements available to the public. They should also have their financial records reviewed bi annually by a qualified examiner who can certify that the organization is operating legally and according to generally accepted accounting practices.

Y.1 Financial Transparency and Accountability

- ❖ **Fiscal responsibility.** Members of the governing body hold ultimate fiscal responsibility for their organization and are to understand the organization's financial statements and reporting requirements.
- ❖ **Annual budget.** The organization's annual budget is to be approved by the governing body, and is to outline projected expenses for program activities, fundraising, and administration. OWH is to operate in accordance with that budget.
- ❖ **Internal financial statements.** Internal financial statements shall be prepared regularly and provided to the governing body. Any and all significant variations between budgeted expenses and actual expenditures, and between budgeted revenues and actual revenues, are to be identified and explained to the governing body.
- ❖ **Financial policies.** The Organization shall have established financial policies, suitable for the size of the organization, regarding the receiving and disbursement of financial resources, investment of assets, purchasing practices, internal control procedures (such as policies for signing checks), and so forth.
- ❖ **Internal control procedures.** The organization's internal control procedures shall be in place to assure the transparency and watch over the procedures. A control environment should be there as per the updated standards.
- ❖ **Audit.** The accuracy of the financial reports shall be subject to audit by an independent, qualified accountant. Every year the annual audited financial reports must be shared with the stakeholders, the selection of the firm for the audit of the Organization shall be made via open



bidding and a single firm is only allowed to conduct the Annual financial not more than 3 consecutive terms.

- ❖ **Professional standards.** The organization shall adhere to professional standards of accountancy and audit procedures as stipulated by the national law, and fulfill all financial and reporting requirements.

Y.2 Legal Compliance

- ❖ **Laws and regulations.** The organization's activities, governance, and other matters shall conform to the laws and regulations of its nation and locality. (An NGO may seek to change those laws and regulations, if such activity is consistent with its mission.)
- ❖ **Attorney review.** The organization shall obtain attorney review of the organizing documents of the NGO to make sure that they are in compliance with existing laws and regulations, and shall make recourse to attorney services as appropriate to ensure continued legal compliance.
- ❖ **Liability insurance.** The organization should consider having liability insurance, if available and applicable.
- ❖ **Internal review.** The organization periodically shall conduct an internal review regarding compliance of the organization with current laws and regulations and summaries of this review should be presented to members of the governing body.

Z. Fundraising

In order to fund our operational and program costs and reach our objectives, OWH raise funds via seeking voluntary financial support from foundations, corporations, individual donors, and government agencies. However, such financial support is not simply the movement of money from these sources to the Organization. It is a two-way street, involving value for and obligations to the donor. As a recipient of such funds, it is important that the Organization be open and transparent, be accountable to the donor, use the funds responsibly and according to the intent of the donor, and allow the funding individuals and organizations to be able to have insight into the project at all times. It is important that the fundraising activity also be consistent with the mission of the Organization.



Z.1 General Fundraising Principles

- ❖ **Governing body.** The governing body should be very active in the fundraising effort, including being active in solicitations and in making individual contributions.
- ❖ **Consistency with mission.** The organization shall only accept funding that is consistent with its mission, does not compromise its core principles, and does not restrict its ability to address relevant issues freely, thoroughly, and objectively.
- ❖ **Truthful.** The organization must be truthful in all matters relating to the raising of funds and their use.
- ❖ **Mission priority.** Programs shall be designed to meet the mission of the Organization and never designed simply to meet the needs of a funding source.
- ❖ **Unethical actions.** The organization must not tolerate any unethical activities such as double funding for one project, diversion of dedicated funds to uses other than the project for which funds were approved, or overstatement of achievements.

Z.2 Solicitations

- ❖ **Solicitation materials.** The organization shall be careful to ensure that all solicitation and promotional materials are accurate, and that they clearly and truthfully present the Organization, its mission, and its programs. All solicitations are to correctly reflect the Organization's planned use of the solicited funds, and fundraising solicitations shall only make claims that the organization can fulfill. There shall not be any exaggerations of fact or material omissions, nor any communication or images that would create a false or misleading impression.
- ❖ **Tax benefits.** The organization shall ensure that donors receive informed, accurate, and ethical information regarding the tax implications of potential gifts.
- ❖ **Fundraising principles.** Fundraising shall be for the purpose of the Organization's mission, and free of coercion, improper motive, inappropriate conduct, unreasonable reward, or personal inurement.
- ❖ **Excess funds.** When funding for a particular purpose is invited from the public, there shall be a plan for handling any excess funds, and, where appropriate, the appeal should include



information on how any excess funds will be used.

- ❖ **Compensation to fundraisers.** The organization shall not provide compensation to fundraisers that is based on a percentage of charitable contributions raised or expected to be raised, nor should it provide a finder's fee. Percentage-based compensation can be an impediment to keeping the donor's and Organization's best interests primary, and may foster unethical behavior or inappropriate conduct on the part of the fundraiser. It likewise can be a hindrance toward maintaining a volunteer spirit and keeping the mission of the Organization at the forefront, and may offer reward without merit in the case of a large donation that may be the product of many individuals. The organization may provide compensation based on skill, effort and time expended, and performance-based compensation, such as bonuses, provided such bonuses are in accordance with prevailing practices of the Organization and not based on a percentage of charitable contributions raised.
- ❖ **Sales promotions.** Fundraising promotions involving the sale of products or services shall indicate the duration of the campaign, and the actual or anticipated portion of the purchase price that will benefit the Organization or program.
- ❖ **Percentage of fundraising costs.** The costs involved in fundraising shall be reasonable relative to the revenue generated. Over the course of a number of years, the Organization's average expenditure on fundraising activities should be one-third or less of the amount of revenue generated from these activities, and ideally fundraising costs should be less than 25% of fundraising income.
- ❖ **Information on solicitors.** The NGO shall have policies in place to protect the donor's right to be informed whether the solicitors are paid staff, volunteers, or agents of the NGO.

Z.4 Use of Funds

- ❖ **Use of contributions.** The organization shall ensure that contributions are used as promised or implied in fundraising appeals or for the purposes intended by the donors.
- ❖ **Grant commitment.** When the organization accepts a grant, it is entering into a contract to carry out the program activities in an agreed-upon manner, and has an ethical and legal responsibility to honor that commitment.
- ❖ **Donor consent for changes.** The organization may alter the conditions of a gift or grant only by

obtaining explicit consent by the donor.

- ❖ **Efficient and effective use.** The organization shall ensure efficient and effective use of grants and charitable contributions.

Z.5 Accountability

- ❖ **Tracking expenditures.** The organization shall set up an organized system to track grant expenditures.
- ❖ **Timely reports.** The organization shall produce timely reports on the use and management of funds.
- ❖ **Financial statements.** Financial statements regarding donations shall be available upon request by the donor and interested parties.

Z.6 Relationship with Donor

- ❖ **Donor relationship.** The directors, management, staff and volunteers of the organization shall not exploit any relationship with a donor or prospective donor for personal benefit or the benefit of any relative, friends, associates, colleagues, and so forth.
- ❖ **Confidentiality.** Privileged or confidential information regarding the donor or donation must not be disclosed to unauthorized parties.
- ❖ **Donor privacy.** A donor's privacy shall be respected and Organization must safeguard any confidential information regarding the donor or the gift. Donors are to have the opportunity to remain anonymous, and to not have their names added to any lists that are sold, rented or given to others, unless the donor has had an opportunity to approve such lists or have their names removed.
- ❖ **Privacy policy.** The organization shall have a clear and easily accessible privacy policy that informs the public what information is being collected on individuals and donors and how that information will be used, how to contact the organization to review personal information collected and to request corrections, how to inform the NGO that the individual does not wish his or her personal information to be shared outside the NGO, and what security measures are in place to protect personal information.
- ❖ **Unethical solicitations.** The Organization or its agents must not use excessive pressure, coercion,

undue influence or other unethical means in their solicitations.

Z.7 Partnerships, Collaboration and Networking

When appropriate, Organization may find that cooperation with other civil society organizations, government and intergovernmental agencies, and for-profit corporations may be beneficial in advancing their mission-related objectives. Such collaboration for common good may reduce duplication of services and eliminate using resources for competitive purposes rather than serving constituencies. Collaboration may allow pairing diverse strengths and resources and promote effectiveness in tackling priorities. However, OWH may enter into such a relationship only if it is consistent with its mission.

Z.7.1 General Principles of Partnerships and Collaboration

- ❖ **Mission consistency.** The organization shall collaborate with other entities only if the relationship is consistent with the mission of the Organization.
- ❖ **Shared values.** The organization shall collaborate on the basis of shared values, common ground, and for the good of society.
- ❖ **Mutual benefit.** Organization shall collaborate on the basis of equitable and genuine mutual benefit to each organization.
- ❖ **Transparency.** Organization collaboration shall allow financial transparency and a two-way flow of information, ideas, and experiences.
- ❖ **Adaptive to change.** Organization is to be adaptive to change. Changes in the relationship are to be developed through cooperation, and not forced by one or the other organization.

Z.7.2 Relations with other NGOs and Civil Society Organizations

- ❖ **Common objectives.** When appropriate, Organizations with overlapping missions, values, and target groups should partner with each other and civil society organizations, when it would be beneficial for the common target groups and for the achievement of common objectives.
- ❖ **Competition and service duplication.** Organizations with overlapping missions, values, and target groups should refrain from competing with each other and with other civil society organizations, and should refrain from unnecessary duplication of services and disruption of

each other's projects.

- ❖ **Information sharing.** Organizations with overlapping missions, values and target groups should share relevant project information with other Organizations, and mutually support each other.
- ❖ **Support for other NGOs.** OWH shall express solidarity with campaigns and actions of other NGOs, and promote the effectiveness and success of other NGOs, when it does not compromise the integrity or values of the OWH.
- ❖ **Networking.** The organization shall network with other ethical NGOs as a means for promoting the growth, effectiveness and efficiency of the NGO sector and the ability to advance the public good.

Z.7.3 Relations with Government Agencies and Inter governmental Bodies

- ❖ **NGO objectives and independence.** The organization shall enter into a partnership agreement with a government or intergovernmental body only when it is beneficial to achievement of the Organization's objectives and does not compromise the independence or self-control of the organization.
- ❖ **Appropriate and mutually beneficial.** The organization shall seek to dialogue and cooperate with government and intergovernmental agencies when such cooperation would be both appropriate and mutually beneficial and could increase the Organization's effectiveness in dealing with issues and priorities in its agenda.
- ❖ **Mission-led.** The organization shall not enter into a partnership with a governmental or intergovernmental body working against achieving Organizational objectives.
- ❖ **Political favor.** The organization shall not change its policies or non-partisan nature in order to receive political favor.

Z.7.4 Relations with For-Profit Corporations

- ❖ **NGO objectives and independence.** The organization shall enter into collaboration with a for-profit corporation only when it is beneficial to achievement of the Organization's objectives and does not compromise the independence or self-control of the organization.



- ❖ **Mission-led.** The organization shall not enter into collaboration with a for-profit corporation if motivated by financial reasons versus achieving its mission objectives.
- ❖ **Market advantage.** The organization shall not enter into collaboration with a for-profit corporation if the main motivation of the corporation is to gain a market advantage over competitors.

