

# **POLICY DOCUMENT**

## **Foundation for Development Initiative (FDI)**

### **HR POLICY**

#### **RECRUITMENT POLICY**

This policy aims to employ and realize the full potential of human resources to help the Foundation for Development Initiative (FDI) achieve its goals.

#### **Guiding Principles for Recruitment:**

- FDI will advertise different positions for different development programmes through advertisements and other appropriate platforms and seek to fill vacancies wherever possible. However, in recruiting a person for new position internal reference mechanism is also provisioned to old or existing staffs if she/he fulfills the criteria.
- Seek candidates on the basis of their qualifications, experience, skills and competencies for the respective vacant positions.
- Ensure that every candidate called for interview is given fair, thorough and an equal opportunity.
- Promote diversity in workforce and not discriminate on the grounds of gender, age, religion and caste.
- Not knowingly make any false or exaggerated claims in recruitment literature or job advertisements.
- Encourage gender parity in application process

#### **The recruitment policy is broadly divided into the following four processes:**

- Human Resource Planning
- Recruitment
- Selection
- Hiring

#### **Human Resource Planning:**

- Human Resource Plan to entail number of employees required, when required, and grade of position.
- Job Profiles to be developed before posting any advertisement.
- HR Team to review and shortlist applications received.
- Recruitment of all sanctioned positions at the Program Management middle/higher rung is taken care by HR Manager and Technical Expert team with the active participation of the Project Director.



- Recruitment of all sanctioned positions at the grassroots level is the responsibility of the concerned Program Manager.
- The timeline for receiving applications would be in accordance of the requirements of the project but generally, the tenure would be 7-15 days.

**Selection:**

- Selection entails screening applications, which may be followed by a combination of selection tools preliminary interview, written assessment, and final interview.
- Selection panel to be minimally formed by three persons comprising of the members from the governing body, external resource person, and Program Support Manager.
- The selection panel members should demonstrate, as well as evaluate perspectives on aspects of gender equity and diversity, during the selection process.
- The selection decision to be signed by all the panel members on the interview checklist.

**Hiring:**

- Hiring entails salary negotiation, salary fixation, and Issuance of offer letter.
- All newly joined staff have to serve a probation period- depending upon the nature and duration of the project.
- Salary fixation of all employees hired in FDI will be done by HO as per the budgetary guidelines of the project.
- Payment of salary would be made through ECS mode/cheque

**Appointing Authority**

Appointment for all national and state employees will be made by the Chief Functionary/Project Director and/or her/her delegate (viz. Director, HR), who will issue the employment contracts to all new hires.

No person shall be considered an employee of FDI unless and until she/he receives and accepts an official Letter of Contract issued by the appointing authority.

**Working Hours**

Normal scheduled office hours for full-time Regular, Contract, and Temporary Employees shall ordinarily be from 9:30 a.m. to 6:00 p.m. Monday through Friday with a lunch interval of 30 minutes between 1:00 p.m. - 1:30 p.m. These hours, however, may be subject to change in a particular State Office as per local requirements keeping the total working hours unchanged upon notification and approval of HO.

However, the organization also has provisions for Flexible Hours. Employees should note that the core hours are between 10:30 am and 4:00 pm. All employees are required to be at work during the core hours.

As normal hours of work totals only 48 hours per week, it may be necessary on occasion, as determined by the respective authority or supervisor, for one or more office staff members to work, for a specified purpose, additional hours during the week or on weekends, it is expected that staff members shall comply with the exigencies of work requirements. No overtime payment shall be applicable to such occasional additional working hours.

All field-based staff members are expected to work 6 days a week keeping the regular office hours unchanged as indicated in the Appointment letter/ contract.

### **Resignation**

- Should an employee wish to resign, he/ she shall submit a Letter of Resignation to the appointing authority concerned, or to the HR through her/his Project Head. The Letter of Resignation shall be dated, shall cite reasons for the resignation, and shall state the desired effective date of resignation.
- Unless stipulated otherwise in the concerned employee's Letter of Appointment or Contract, the employee shall give the Organization at least one month's notice in advance of the expected resignation date, or one month's salary in lieu of notice.
- The notice period salary will consist of Basic and Allowances (reimbursement claims, TA). Where there is a shortfall of notice periods, it would be adjusted against the final dues of the concerned outgoing employee.
- The Organization, after accepting the resignation, may relieve the employee from her/ her duty at any time during the notice period.
- Resignations shall be accepted and confirmed in writing only by the appointing authority or in their absence by officials designated by the Director to, as in their place.
- An employee can withdraw resignation in agreement with the appointing authority.

### **Staff Movement**

#### **Assignments and Transfers**

According to project needs, any employee can be transferred temporarily or permanently to any location where organisation conducts its activities. The transfer may be the result of a promotion, a change in the role due to service requirements, or other reasons. In addition, the employee concerned shall be notified generally one month in advance of S/he change in location.

## **Interim positions and promotions**

An employee may be called on to temporarily perform a job in a higher category. That does not automatically give her the right to higher salary and benefits of her position. However, after a reasonable amount of time, organisation can reclassify the employee in the category of the new job or return her to her former duties.

## **Prohibition on Outside Employment and/or Engagement-**

Full-time regular employees of organisation are not allowed to undertake outside employment.

## **Termination of Employment**

Conditions for Termination

Employees shall lose their jobs under any of the following conditions:

### **(1) Voluntary Resignation**

- i. Personnel wishing to resign from post may do so by giving a resignation letter to the Project Director/HR Team stating the reasons for resignation and effective date of the same. Generally, one month of prior notice is required for such resignations.
- ii. The date in which the resignation letter is received at the NGO office is considered the date on which notice of resignation is given. Failure to provide sufficient notice may be ground for forfeiture of all accrued employee benefits.

### **(2) Redundancy of the Position**

Depending on the nature and volume of its operation, organisation may declare certain positions redundant. Persons occupying those positions will therefore be forced to be separated from NGO with proper notice. While doing so, organisation will give at least one month (1) notice in advance.

### **(3) Termination with Cause Grounds for employee termination are the following:**

- Continuing inefficiency and gross negligence of duty.
- Fund embezzlement.
- Misuse of office equipment, and other properties.
- Repeated unauthorized absences and leaves
- Intoxication while on official business or within office premises
- Unauthorized disclosure of official information

The services of an employee/consultant and others may also be terminated for above said cause in which case no notice or salary in lieu of notice shall be given.

The services of an employee may also be terminated at such time that the Organization considers the employee medically unfit to carry out the normal duties assigned to him/her. In such case, no notice shall be given.

#### **(4) Termination of Part-Time Employee/Consultant-**

The services of a temporary and part-time employee/consultant may be terminated by the Organization at any time without assigning any reason by giving 24 hours' notice.

#### **(5) Death**

When an employee dies, her/his salary and benefits will automatically be paid to her legal heirs.

#### **Procedures for Termination and/or Disciplinary Action**

- Organisation will ask the employee for a written explanation on the offense deemed committed by the employee concerned, identifying the charges against him/her and the particulars of the facts relied upon to support it.
- The employee is given 3 working days to submit her/his explanations.
- Based on the written explanations submitted by the employee concerned and the strength of evidence presented, Organisation may choose to decide on the charges or pursue further investigation of the case.
- Organisation can, shall it feel necessary to, suspend the employee in question from duty during the period of investigation subject to the following conditions:

- a. should the employee be in a position to tamper with the evidence against him/her.
- b. should the employee's continuing presence in the organization be deemed inimical to the interest of the organization.

### **Leave Policy**

#### **1. Objective**

To lay down guidelines, rules, and procedures for employees to help them avail of Leave Benefits, with an aim to achieve proper work-life balance. Leave is granted with the good intention of providing rest, recuperation of health, and fulfilling social obligations.

#### **2. Scope / Applicability**

The Policy is applicable to all regular full-time employees on Payroll/ On-rolls of the Foundation for Development Initiative (FDI)

#### **3. Coverage**

A set of Leaves defined for the calendar year stands for 12 months starting from 1st January till 31st December of the year. Leave means time taken off from work by an employee for permissible reasons like personal urgency, sickness, planned vacation, social requirement, and developmental needs.

#### 4. Leave Entitlement and Associated Norms

- Leave is not a matter of right and should be taken in concurrence with the Program Manager/Project Director.
- Planned leaves need to be informed 1 week prior to the date of leave / availing.
- Information about the leaves should be given by proper mail to the reporting manager.
- Each employee is entitled to 2 days leave in a month i.e., 24 leaves in a year.

#### Maternity Leave Eligibility

An employee is entitled to the benefit subject to her having worked 80 days in the organization in the 12 months preceding her Date of Expected Delivery. It is granted on full pay and counts as service for annual performance reviews, appraisals, and increments. The maximum period for which any employee be entitled to maternity benefit shall be twenty-six weeks.

The benefit could be availed by women for a period extending up to 8 weeks before the expected delivery date and the remaining 18 weeks post-delivery. For women who are expecting after having 2 children, the duration of paid maternity leave shall be 12 weeks (i.e., 6 weeks pre and 6 weeks post-expected date of delivery).

#### Regulations

The applicant should inform about her pregnancy a minimum of 2 months in advance before proceeding on leave.

The application should be supported by a medical certificate confirming the pregnancy and expected date of childbirth

The applicant can avail of eight weeks' leave before the date of delivery and eighteen weeks ' leave post-delivery. The maximum leave benefit under normal circumstances will be 26 weeks.

Un-availed maternity leave is non-cashable.

The weekly offs and holidays falling during the period will be part of the leaves availed. It may be combined with other categories of leave

#### Miscarriage/Abortion (Induced or Otherwise) Leave:

- In a female employee's entire service in the organization, 45 days of miscarriage/ abortion leave is admissible irrespective of the number of surviving children.
- It may be granted in cases of miscarriage and abortion, including the abortion induced under the **Medical Termination of Pregnancy Act 1971** subject to the condition that the leave does not exceed 2 weeks from the date of miscarriage including abortion and

the application for leave is supported by medical certificate from the Authorized Medical Officer.

**Adoption Leave:**

- For a female employee, on adoption of a child, Adoption Leave is admissible for a period up to one year or till such time the child is one year old, whichever is earlier.
- However, the facility will not be admissible in case she is already having two surviving children at the time of adoption.
- The leave will not be admissible unless the Adoption Certificate is submitted within 30 days of adoption.

**Special Disability Leave (SDL) Rules****Entitlement Rules:**

- It is admissible to an employee of the organization in the case of injury sustained in the course of official duties including journeys undertaken for special purposes.
- Only Full Time Permanent employees having served the organization for a minimum of 2 years are eligible to apply for this leave.
- It may be granted more than once if the disability is aggravated or recurs in similar circumstances at a later date, but the maximum leave in consequence of any one disability should not exceed 4 months.
- SDL may be combined with any kind of leave.

**Salary/ Benefit Rules:**

- SDL is granted on full pay up to 60 days.
- If the employee is entitled to any benefit under the Group Insurance Act etc., the amount of leave salary will be deducted by the amount of benefit payable under the above Act

**Paternity Leave**

All males with less than two surviving children for a period of 4 days can avail paternity leave to take care of her wife and a newborn child. He can avail these 4 days before or within 3 months from the date of delivery of the child. If such leave is not availed within the stipulated period, it shall be treated as lapsed.

Unavailed paternity leave is not cashable.

**Bereavement Leave:** You can avail a maximum of seven days leave following the death of your immediate family members. The immediate family members include spouse, parents, and parents in law, children, adopted child, siblings and grandparents.

### **Compensatory Off (CO)**

If employees are working for exigencies on **Sunday, Non-Working Saturdays, or declared Official holidays**, they can avail compensatory off in lieu of this subject to below norms:

- Individual can avail compensatory leave only if it is pre-sanctioned / agreed by reporting Manager prior to coming to office on a holiday.
- Compensatory Off can be applied through mail.
- A maximum of 2 Compensatory Offs can be availed consecutively.
- Compensatory off against a particular date will be having a validity period of 1 month from that date beyond which the compensatory leave will lapse.
- Compensatory Off can be clubbed with any other type of leave.

### **Disclaimer**

Any special consideration/relaxation from the above stated norms is at the discretion of the Management and requires authorization of Project Director/Chief Functionary.

Details are enclosed in Annexure 1.

### **Gender Policy**

FDI's vision of a desirable world is where relations amongst individuals, families, communities and nations are characterised by equity and justice. Besides socio- economic equity, FDI believes in gender justice as a cornerstone of such relations. FDI's analysis of the existing situation of discrimination in society provides the basis for identifying the poor and marginalised, especially women. It believes that gender discrimination necessitates focusing upon changing women's roles and status, as agents and leaders of change. One of our core values is therefore to mainstream gender justice and equality through analysis of and action on the surrounding social realities. This core value is integral to FDI's vision and backbone of all programmatic intervention.

Gender mainstreaming in the institutional development of FDI has become an explicit Governing Board Policy, which is driven by FDI long- standing concern about gender equity at the workplace. Recognising these events and adhering to its commitment to gender- justice, FDI formed a Committee against Sexual Harassment (CASH).

### **Staff Polices:**

All staff policies, service rules and regulations of the organisation shall be gender sensitive. Periodic reviews of the same would be done through a gender lens to ensure that gender sensitivity is maintained. These policies would be in line with the government provisions.

### **Recruitment & Induction:**

- Attempt will be made to have women member in interview Panel.
- FDI has a gender sensitive recruitment policy where preference would be given to women candidates in appointments.
- All new staff members joining the organisation shall be oriented to FDI's gender policy.
- FDI will be committed to creating and promoting a gender sensitive work environment within the organisation and its various branches/field offices.



Apart from Gender Policy Organisation is always supportive of welfare of marginalised section of the society and have zero tolerance towards any type of discrimination being meted out to these sections of the society and have incorporated lots of pro marginalised policies in practice though some of them may not be documented.

Since Organisation is working with all the typology of the HIV population hence it has accepted the ILO code of practices on HIV/AIDS and the world of work that is in line with Government of India's National HIV/AIDS policy.

### **Conflict of Interest Policy**

In order to avoid potential conflict of interest, the employees cannot accept or engage in, directly or indirectly, any other work, employment or trade / business, and are expected to devote their full energies and best efforts to Organization's work. The Organisation prohibits the acceptance of any kind of gifts, whether in cash or kind, or any promotional aid, prize, reward, or any other item, any of which is intended for personal or family benefit, or financial benefit to the employee. Immediate members of the employee's family such as spouses, children, brothers, sisters, first degree cousins, uncles and aunts and by affinity such as in laws are not allowed to work at the Organisation to avoid potential conflict of interest.

This clause should be read and interpreted in reference to the policy on Conflict of Interest As per Annexure - 2.

- **Purpose**

The purpose of the conflict-of-interest policy is to protect the FDI's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a member or director of the Organization or might result in a possible excess benefit transaction.

- **Definitions**

#### **1. Interested Person**

Any director, or member of a committee with board delegated powers, who has a direct or indirect financial interest is an interested person.

#### **2. Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

### **Risk Management Policy**

The purpose of organizational policies and procedures for risk management is to ensure every worker a safe place to work. Some jobs do come with some risk, but we must utilize organizational policies and procedures for risk management to ensure that the amount of risk for the employee is as low as possible.

The principal structure of FDI policy and procedure for risk management are:

- To evaluate the job duties required to perform a task and determine the amount of risk associated with those duties
- To establish a set of guidelines for the employee to follow to minimize any risks associated with their jobs
- To train employees so that they take fewer risks at work
- To provide the right equipment to do the job safely, to keep the equipment in safe working order (fire extinguisher, first aid kit, etc.),
- To implement emergency procedures in case a worker is ever injured, exposed to extreme danger, or put into a compromising situation
- To instruct every employee in the safety measures so they know what to do, who to call, and where to go, in the event of an emergency

### **Risk & Safety Committee**

Risk & Safety Committee has overall responsibility for monitoring and approving the risk policies and associated practices of FDI. The Risk and Safety Committee consists of Project Director, Project Manager and Admin officer. The committee, chaired by the Project Director, will meet periodically to consider matters involving risk and safety. The committee will evaluate significant risk exposures and provide guidance and support for the refinement of the overall risk management framework. Committee members are responsible for providing advice and information within their program areas to ensure the full performance of risk management functions.

The Project Director is responsible for forwarding committee recommendations to the Board Members for Administration and Finance, who will present those recommendations.

## **Organisational Discipline**

### **Statement of the Policy**

By accepting an appointment with FDI, an employee shall thereby agree to work in a responsible, disciplined, harmonious, and productive manner, to be loyal to the Organization, and to act in a manner conducive to the accomplishment of the Organization's objectives. The employee shall agree, by accepting an appointment, to abide by the rules and regulations of the Organization as stated in the Manual and any other lawful or reasonable instruction, written or verbal, given by the authorized officers of the Organization.

- The Organization shall seek, as far as possible, to encourage the employees to achieve personal and professional satisfaction in their work and it shall strive to provide fair and equitable treatment. The Organization cannot, however, accept or tolerate performance, attitudes, behavior, or conditions contrary to its professional, financial, or ethical standards as national, non-profit Organization.
- No employee, except a part-time employee, shall directly or indirectly engage in any other business, occupation or employment without the express written approval of the Governing Body, FDI.
- As the Governing Body of FDI is entrusted with the final overall responsibility for the interpretation, application, and administration of FDI personnel policies, no employee shall approach, contact, or correspond with its officials directly on any matter pertaining to FDI's employee policy administration.
- The organization expressly prohibits and will not tolerate any form of discrimination or harassment (including sexual harassment) based upon race, color, religion, caste, national origin, sex, age, sexual orientation, marital status, or disability. Such discrimination/harassment would be dealt as detailed under the anti –harassment policy.

### **Misconduct**

- The Organization herewith states that the following acts of commission or omission shall, inter alia, be construed as acts of misconduct, and shall be cause for the initiation of disciplinary proceedings. Such proceedings may or may not include dismissal from service, if an employee is found guilty of committing any acts of commission or omission.
- The following definition of misconducts is intended to provide employees examples of Behaviour inconsistent with organizational principles and is an indicative listing. They shall not be understood to be a complete listing of behavior or activities that may be deemed to constitute misconduct, the determination of which shall rest solely with the Governing Body.

### **Minor Misconduct – Definitions**

- Absence from duty without permission of the Project Heads up to 3 days.
- Idling or loitering during duty hours.
- Entering or leaving, or attempting to enter or leave, the establishment except in accordance with rules or orders.
- Late attendance or leaving place of work earlier than the appointed time without approval of Project Head/ Supervisor.
- Deliberate low work performance.



- Any attempt at unduly influencing the recruitment or retention/retrenchment process on behalf of colleagues, relatives or friends.
- Abetting any minor misconduct.
- Malingering (exaggerates or feigns illness in order to escape from work).
- Failures to sign the daily attendance register.

### Major Misconduct - Definitions

- Insubordination.
- Lying, misrepresentation and/or submission of fake reports
- Breach of standing instructions of the Organization such as conscious abuse or misuse of FDI policy on boarding and lodging, reimbursement of other travel expenses, over time, TDY costs, hospitalization costs etc. or any other organizational benefits
- Drug/alcohol use or abuse at workplace
- Commission of any act's subversive of discipline such as supervisory or subordinate impropriety (e.g., senior asking their supervisee to undertake non-work related "personal" or "household tasks or favors" or a supervisee misrepresenting supervisor's ministrations over performance or behavioral aspects etc.
- Sending/circulating anonymous letters/ mails that raise doubts on the integrity or character of other staff or malafide criticism of the Organization.
- Fraud
- Giving or accepting bribes or receiving kick backs in any form including money, services, or gifts.
- Physical violence or using abusive language.
- Any action or aspect which results in a conflict of interest or creates a situation detrimental to FDI's work or reputation, outside or within the office.
- Engaging directly or indirectly in trade, commercial activity, other employment, or any activity without the written permission of the Governing Body.
- Repeated or frequent commission of Minor Misconduct.
- Habitual absence without leaves, unauthorized absences for more than 3 days or overstay of leave for more than 3 days.
- Deliberate damage to FDI property.
- Sexual harassment (dealt through Policy on Anti Harassment)
- Neglect of work or gross or habitual negligence.
- Disclosing to any person without authorization from the Governing Body classified and confidential information and also any confidential information and also any information that may damage the image of the Organization.
- Misuse of FDI Furniture, Fixtures and Equipment such as computer, camera, etc.
- Misuse of FDI vehicles, i.e., carrying unauthorized passengers, driving without valid Driving License, using FDI vehicles for personal trips without proper authorization, permitting non-FDI people to drive, rash or negligent driving, driving under the influence of alcohol/drugs, and any other uses which negatively affect FDI's reputation or effectiveness.
- Borrowing money from subordinates, colleagues, outsiders or people with whom the Organization conducts Business.
- Defamation of fellow employees be their superiors or subordinates.

**Grievance Procedures:**

Employees are encouraged to first attempt to resolve their grievance through discussion with their supervisor, co-worker or the concerned party. Discussions should take place in person wherever possible and not over emails as these tend to aggravate the problem.

- As such, if informal discussions fail to resolve the problem, the employee shall bring the grievance to the attention of their immediate supervisor(s) in writing within a reasonable time, of occurrence of the cause of such grievance, in an effort to bring about a fair and reasonable solution.
- Upon receipt of the representation, the immediate supervisor shall call the aggrieved employee(s) and discuss the matter, and respond in writing to the employee at the earliest or within 30 days.
- In the event of the employee being dissatisfied with the decision of the supervisor's or the grievance being against the supervisor, the aggrieved person shall send a written grievance to the supervisor's supervisor within a reasonable time, of occurrence of the cause of such grievance. The supervisor's supervisor should also investigate the issue and respond in writing to the employee at the earliest or within 30 days from receipt of such grievance by him/her.
- In the event of the employee being dissatisfied with the decision of the supervisor's supervisor, or if the employee is uncomfortable in going through the defined channel, the employee should submit a written grievance duly signed to the Director (Human Resources) with a copy to the Governing Body. There letter should outline the grievance as well as the steps taken so far to resolve the problem.
- In consultation with the Governing Body, the Director (Human Resources) should then decide to undertake an investigation into the grievance and consequent upon recommendations received, issue a final and binding decision, within a reasonable time frame of such a grievance being lodged.
- Based on prudence and expediency of the situation, the Director (Human Resources) in consultation with the Governing Body, may refer the representation made by the employee to a panel comprising:
  - (a) Two employees nominated by the Director (Human Resources); and
  - (b) An employee nominated by the aggrieved employee from the office where the aggrieved employee is working.
- The Panel will review the case and convey their findings to the Director (Human Resources) who in turn would send her/ his recommendation to the Governing Body for ratification and approval of recommended action.
- Except as mentioned below, no employee or agent of an employee, shall contact, approach, correspond with or otherwise inform the Governing Body of FDI directly except through the authorized lines of authority as mentioned above. Similarly, no employee shall solicit the support of, or seek to utilize any outside agency, party, or person for the purpose of approaching her/her superiors including the Governing Body on matters of personnel administration.
- However, where any employee notices any of the following improprieties, he/she is at liberty to use the direct channel of communication with the Governing Body:



- i. Unapproved deviations from the standard FDI's operating procedures.
  - ii. Misuse of FDI personnel or assets.
  - iii. Sexual or other harassment
  - iv. Misuse of authority or privilege.
  - v. Falsification of documents.
- Anonymous letters/emails from an individual or group of employees are strictly forbidden. FDI, as a policy, does not acknowledge or respond to such communication.
  - Any grievance including minor or major misconduct except Sexual Harassment shall be taken up for resolution as per the defined grievance procedures.

### **Action for Minor Misconduct**

An employee found guilty of minor misconduct may be subjected to:

- Counselling
- Warning by letter.
- Suspension without pay for a period not exceeding five days.
- Financial penalty

### **Action for Major Misconduct**

An employee found innocent shall be exonerated. An employee found guilty of major misconduct may be subjected to the following;

- Warning
- Suspension
- Financial Penalty
- Stoppage of Increment
- Demotion
- Termination
- Dismissal
- Censure

### **Anti-Fraud Policy**

FDI has a zero-tolerance policy for fraud, money laundering and corruption. Thus, FDI requires employees, volunteers and third parties including grantees to act honestly and with integrity, and to safeguard the assets for which they are responsible. Fraud and corruption are ever-present threats to our assets and would undermine our credibility in the eyes of donors and other stakeholders and so must be a concern of all stakeholders of FDI.

- The Fraud and Anti-corruption policy applies to FDI's headquarters based in Delhi and all branch offices, including offices as may be established in other locations in the future.
- The policy is applicable to all FDI employees (core, contract, retainer, consultants, officers or any other category) and members of the Board.
- FDI also requires its consultants, Short-term cadres, vendors, or any other person retained/engaged to adhere to its guidelines.

## **Obligations**

- i) develop, maintain and consistently apply effective controls to prevent fraud and corruption at all levels;
- ii) ensure that if fraud or corruption occurs, a vigorous and prompt investigation takes place, and that reports are shared with stakeholders as appropriate;
- iii) take appropriate disciplinary and legal action in all cases;
- iv) take all appropriate and reasonable steps to recover any financial losses;
- v) review systems and procedures to prevent similar acts of fraud or corruption;
- vi) ensure fraud and corruption risks are taken into consideration in programme planning; and report incidents to donors as per the requirements set out by donors

## **2 Roles and Responsibilities**

All stakeholders are responsible for:

- i) acting with propriety in the use of assets and resources of FDI
- ii) Conducting themselves in accordance with the principles set out in applicable codes of conduct equivalent, including declaring at the earliest opportunity any actual or apparent conflict of interest having a bearing on their responsibilities to the HR;
- iii) Seeking guidance from their line manager as needed to determine whether a contemplated interaction with a Public Official or Service Provider is appropriate and in compliance with this Policy and other applicable FDI policies, or they can reach out to the counter fraud champions designated by the management.
- iv) Assisting in any investigations by making available all relevant information and cooperating in interviews.

## **3 Corrective Actions**

- After appropriate investigation, corrective actions, which may include disciplinary or remedial actions, shall be taken against anyone who violates the policy, fails to report a known violation of this Policy, fails to implement the requirements of this Policy or retaliates against any person reporting, in good faith, an alleged violation of this Policy.
- Failure to detect due to employee's negligence may result in disciplinary action and failure to detect due to process gap may result in remedial action for mitigating risk and making employee aware regarding fraud risk
- If any individual representative of FDI fails to comply with this Policy, it may lead to fines, termination of employment/contractual agreements/other relationships/arrangements or criminal penalties and/or imprisonment as per the relevant laws and regulations of the respective jurisdiction.





#### **4 Fraud Risk Assessment**

- While the ultimate responsibility for effective fraud risk and control management rests with the *Management team of FDI* every program lead is responsible for identifying and mitigating the risks that might affect the operations under his or her responsibility. Periodic fraud risk assessments should be undertaken by the program lead, as well as internal audit team, and such assessments should include known fraud risk factors, potential fraud schemes, control gaps, red flag identification, and recommendation for remediation.

#### **Safeguarding of employees**

- FDI will not tolerate any retaliation of any kind against anyone who, in good faith, reports a potential violation of any anti-corruption laws or any other aspect of this Policy. FDI takes all claims of retaliation seriously and investigates all allegations of retaliation, and will take appropriate disciplinary action to address any incidents of retaliation

#### **Anti-Harassment Policy**

##### ***Introduction***

Consistent with FDI's vision and mission, we seek to create and maintain an Organizational environment that is free of discrimination and harassment (including sexual harassment).

FDI expressly prohibits and will not tolerate any form of discrimination or harassment (including sexual harassment) based upon race, color, religion, caste, national origin, sex, age, sexual orientation, marital status, or disability.

##### ***Guiding Principles***

- Everyone associated with FDI has the right to work in an environment that is fair and equal and free from all forms of workplace related harassment.
- Prevention of harassment by building a healthy and positive work environment shall be a governing principle for implementation of the policy.
- FDI shall take necessary steps to ensure that all employees are aware of the policy.
- Major/ Minor misconduct/ Harassment as defined in the policy, shall be severely dealt with as per procedures defined in the policy on Organizational conduct.
- It shall be the duty of all falling within the ambit of the policy to comply with its contents.
- Discrimination, including on the basis of caste, tribe, color, religion, age, sex, sexual orientation, designation, position/level, language, marital status, terms of employment/contract, personal circumstances amongst others, will not be tolerated.

#### **Application and Scope of the Policy**

The policy shall extend to all employees, project partners, project participants and third parties (defined as under) within or associated with FDI.



## Definitions

- **“Employees”** shall include:
- “FDI staff “including regular employees and all other kind of staff across the organization including full-time, part-time, temporary, contractual or casual staff, trainees and apprentices.
- **“Project Partners”** includes NGOs and any other organization/institution or others with which FDI has any kind of work agreement/understanding and will include community members
- **“Project participants”** shall include all community members who comes under the purview of FDI work.
- **“Third Party”** shall include any third-party visitor/service provider to FDI HQ and/or its state/district offices.
- **Harassment** - Harassment is any unwelcome comment or behavior that is offensive, demeaning, humiliating, derogatory, or any other inappropriate behavior that fails to respect the dignity of an individual. Harassment can be committed by or against any employee, stakeholder, vendor or other individual connected with FDI.

## Examples of Harassing conduct include but are not limited to:

- Epithets, slurs, negative stereotyping or threatening, intimidating, or hostile acts that relate to race, caste, color, religion, region, nationality, sex, sexual orientation, marital status, age, or disability,
- Written or graphic material that denigrates or shows hostility or aversion toward an individual or group.
- Verbal threats, derogatory or offensive remarks, name calling, innuendo or degrading words used to describe an individual or individual characteristic in general, or any other demeaning or inappropriate comment.
- Visual conduct such as leering. Gesturing, displaying or distributing offensive objects or pictures, cartoons, graffiti, posters or magazines.
- Threats or insinuations that could affect an employee’s terms and conditions of employment
- Actual or threatened physical abuse or conduct.

**Sexual Harassment** - means any unwelcome sexual advances, comments, expressed or implied sexual demands, touch, joke, gesture, or any other communications or conduct of a sexual nature, whether verbal, written or visual by any person to another individual within the scope of FDI’s work. Sexual harassment may be directed at members of the same or opposite sex and includes harassment based on sexual orientation. Sexual harassment can occur between any one or more individuals regardless of their employment relationship.

**“Sexual harassment”** includes, but are not limited to:

- Unwanted physical contact or conduct of any kind, including sexual flirtations, touching, advances, or propositions, leering, whirling, cornering, pinching, or patting.
- Demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual’s personal appearance.
- Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, questions or stories of a sexual nature and offensive personal references.



- Sending sexually suggestive written or recorded material including pornographic material that is offensive and intimidating.
  - Display of intimidating, or sexually suggestive objects, pictures, posters, calendars or other visual material of a sexual or objectionable nature
  - Pressure for sexual activity by offering employment benefits in exchange of expressed or implied sexual favors, threats or insinuations that an employee's refusal or willingness to submit to sexual advances will affect the employee's terms or conditions of employment
  - Any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.
- a) The legal definition of sexual harassment is broad and in addition to the above examples, other sexually oriented conduct, whether it is intended or not, that is unwelcome and has the effect of creating a work place environment that is hostile, offensive, intimidating, or humiliating to any employee or employees may also constitute sexual harassment.
- b) Consensual, social relationships in the workplace are not considered to be sexual harassment. However, FDI discourages supervisors from directly or indirectly supervising an employee with whom there is a personal relationship. It is expected that all employees will exercise discretion, professionalism and good judgment when there is a personal relationship between FDI employees.
- c) A **Standing Committee** constituted by the Governing Body, would look at prevention, redressal, and advocacy for facilitating a working environment where there is no instance of sexual harassment. The committee shall be chaired by the Executive Director and will be responsible for the following:
- Sensitize people to prevent occurrence of sexual harassment
  - Ensure a clear and strong message sent to all that any act of the nature shall not be tolerated and is non-negotiable
  - Inquiry/Investigation into filed complaints as and when required
  - Conducting a just, objective and speedy inquiry into the complaint, as per defined laws and regulations, as required
  - Submitting a written report to the Governing Body recommending actions based on investigation and reporting.

### **Reporting Discrimination, Harassment and Sexual Harassment**

- a) Employees have an obligation to report discrimination, sexual harassment or other harassment, if they believe that discrimination or harassment has occurred – either against another employee or themselves, if they observe such conduct, or if they receive any information about such conduct. Discrimination, harassment or sexual harassment must be reported to at least one of the following individuals:
- The employee's immediate supervisor
  - The employee's supervisor's supervisor
  - The Program Support Manager/ State Program Representative at State office
  - Director Human Resource
  - Governing Body

- b) The report may be verbal, or in writing with details of what happened including date, location and names of any witnesses.
- c) The person who receives a complaint, other than Director Human Resource, should inform the Director Human Resource or the Governing Body.
- d) The initial report and subsequent information developed will be kept confidential and disclosed only on a need-to-know basis in order to investigate and resolve the matter.
- e) If required, the Director HR may also call upon the members of the Governing Body and constitute a **task force** to further help in the investigations.
- f) A confidential, thorough, impartial and prompt investigation of every allegation of discrimination, harassment or sexual harassment will be facilitated by Director, HR which may include interview with witnesses and others (as appropriate), documentation and recommendations or actions to be taken. The individual alleged to have violated the policy will have the opportunity to present her/her view of the events in question.
- g) Within a reasonable period after the investigation is completed, both complaining employee and the employee alleged to have violated the policy will be informed as to the results of the investigation. All records of the investigation will remain confidential.
- h) Upon receipt of complaints verbal and /or written from any project participant or partner against FDI staff the follow up shall be applicable as described in the policy.
- i) In case of project partner or project participant harassing FDI staff appropriate action against the harasser shall be pursued and facilitated by Director HR.
- j) To ensure accountability to following principles and processes espoused in the policy a periodic survey would be conducted to evaluate if the cases of harassment, discrimination and sexual harassment are being adequately addressed.

### **Retaliation**

FDI will not tolerate any form of coercion, intimidation, reprisal or retaliation against any employee who reports discrimination, harassment or sexual harassment, provides any information or other assistance in an investigation. Any violation of the above will result in disciplinary action, up to and including termination of services.

### **Penalties for Discrimination, Harassment, Sexual Harassment or Retaliation**

Anyone subject to the policy who is found to have discriminated, harassed, coerced, intimidated or retaliated against another in violation of the policy will be subject to prompt and appropriate disciplinary action, up to and including termination of services. If after an objective investigation, a complaint is found to be false, the person who filed the complaint may be subject to disciplinary action, up to and including termination of services.

### **Advocacy of Discrimination, Harassment and Sexual Harassment Policy**

Director Human Resources, Senior Management Team, Program Support Managers and State Program Representatives will be responsible for the implementation of the policy. They shall work towards:

- i. Building a harassment-free work environment,

- ii. Ensure prominent publicity of the policy (in English and local languages) to FDI staff / project partners/project participants,
- iii. Organize programmes for orienting staff on workplace and sexual harassment within an equality framework,
- iv. Monitor, evaluate effective implementation, review and update the policy from time to time.

### **Prevention of Discrimination, Harassment and Sexual Harassment**

FDI Senior Management Team and state bodies are responsible for building a harassment-free environment by taking all reasonable steps to prevent such harassment. Such steps shall include:

- i. Wide circulation of PSEA policy at all its workplaces and conduct in-house gender training (particularly on sexual harassment).
- ii. Shall be responsible for the implementation of the following measures:
  - Translating the existing policy into all regional languages
  - Organize policy dissemination workshops amongst FDI staff, project participants and project partners to create awareness
  - All new employees shall receive an orientation to the policy during the orientation/induction program
- iii. Notwithstanding the above preventive measures, if any person believes that he or she has been subjected to workplace/sexual harassment; such person shall have the option to file a complaint with or otherwise seek intervention as per the process described in the policy. Such complaint may be written or verbal, and in confidence.
- iv. Action will be taken as per the defined guidelines in PSEA cases.

#### **Specific Offence under the Indian Penal Code**

In the event that the complained conduct in question amounts to a specific offense under the Indian Penal Code, 1860 or under any other national law in existence, the Director HR at HQ or PSM/SPR at State Office, subject to the wishes of the complainant, shall take appropriate action in making a complaint with the appropriate authority (Police/ PRI etc.).

The Director HR at HQ, PSM/SPR at State office and the Manager GED will actively assist and do all that is necessary to ensure the safety of a complainant in the office premises or otherwise in respect to any duties/activities performed in connection with her/her work which take place outside office premises.

**Leave Policy**

**1. Objective**

To lay down guidelines, rules and procedures for employees to help them avail Leave Benefits, with an aim to achieve proper work-life balance. Leave is granted with the good intention of providing rest, recuperation of health and for fulfilling social obligations.

**2. Scope / Applicability**

The Policy is applicable to all regular full-time employees on Payroll/ On-rolls of Foundation for Development Initiative

**3. Coverage**

A set of Leaves defined for the calendar year stand for 12 months starting from 1st January till 31st December of the year. Leave means time taken off from work by an employee for permissible reasons like personal urgency, sickness, planned vacation, social requirement and developmental needs.

**4. Leave Entitlement and Associated Norms**

- Leave is not a matter of right and should be taken in concurrence with the Program Manager/Project Director.
- Planned leaves need to be informed 1 week prior from date of leaves / availing.
- Information about the leaves should be given by proper mail to the reporting manager.
- Each employee is entitled to 2 days leave in a month i.e., 24 leaves in a year.
- Employee can avail maximum of 6 days leave in a quarter. Beyond this threshold of 6 he is liable for salary deduction.

**Scenario-1-** For the quarter of (Jan-March), suppose someone has taken 1 leave in January, 3 leaves in February and 2 Leaves in March then total leaves taken by him stands at 6 (Six) so there would not be any salary deduction; but if in the month of March if she has taken 3 leaves; then total leaves taken by her/him in that quarter stands at 7(seven) then his 1day salary would be deducted.

Month	Leave Allowed	Leave Taken
Jan	2	1
Feb	2	3
March	2	2
Total	6	6

Note- No Salary Deduction as total leave taken (6) is equal to total leave sanctioned irrespective of leaves taken differently in different months.

Month	Leave Allowed	Leave Taken
Jan	2	1
Feb	2	3
March	2	3
Total	6	7

Note- 1 Day Salary Deduction as total leave taken (7) is more than the total leave sanctioned (6) irrespective of leaves taken differently in different months.

**Scenario-2-** For the quarter of (Jan-March) suppose someone has taken 1 leave in Jan, 3 leaves in Feb and in the month of March he resigns then during final settlement no leave deduction will be done. But if she/he has taken 4 leaves in Feb then his 1-day salary will be deducted as he has taken 1-day extra leave in Feb Month. It applies for any quarter.

- Excess leave in a quarter will be treated as LWP (Leave without Pay).
- The six (6) leaves (if not availed in a quarter for exceptional cases) can be carry forwarded only till next quarter or will be lapse.

**Case- (1)** one can take total leave (12) in one go only in case of hospitalization or medical emergency on producing Hospital bills or Doctor Prescription.

**Case- (2)** one can take total leave (12) in one go only in case of his / her marriage on submitting his / her invitation card.

**Case-(3)** one can take at one go at max leave of 5 days only (if Saturday is non-working) or maximum of 6 days only (if Saturday is working) in normal circumstances so that work should not be affected.

**Scenario-1-** For the quarter of (Jan-March), suppose someone has taken 4 leave then she/he can carry forward his balance 2 days leave in next quarter i.e. (April-June). Now in this quarter (April-June), she/he has taken 3 Leave in April, 3 leave in May and 2 leave in June then total leaves taken by her/him stands at 8 (Eight) so there would not be any salary deduction as Balance leave of last quarter (2) would be added in this quarter leave (6); but if in the month of June if she/he has taken 3 leaves; then total leaves taken by him in that quarter stands at 9(nine) then his 1-day salary would be deducted.

Month	Balance Leave of Last Quarter (Jan-Feb)	Leave Allowed	Leave Taken
April	2	2	3
May		2	3
June		2	2
Total	2	6	8

Note- No Salary Deduction as total leave taken (8) is equal to total leave sanctioned (8) irrespective of leaves taken differently in different months.

Month	Balance Leave of Last Quarter (Jan-Feb)	Leave Allowed	Leave Taken
April	2	2	3
May		2	3
June		2	3
Total	2	6	9

Note- 1 Day Salary Deduction as total leave taken (9) is more than the total leave sanctioned (8) irrespective of leaves taken differently in different months.

**Scenario-2-** For the quarter of (Jan-March), suppose someone has taken 4 leave then he can carry forward his balance 2 day leave in next quarter i.e. (April-June). Now in this quarter (April-June), he has taken 3 Leave in April, 3 leave in May and in the month of June he resigns then total leaves taken by him stands at 6 (Six) so there would not be any salary deduction. but suppose if in the month of May if he has taken 4 leave; then total leaves taken by her/him in that quarter stands at 7 (Seven) then his 1-day salary would be deducted during final settlement with him as he has crossed the permissible limit of 6 leaves.

- Employee who joined during the course of the year shall be entitled for leaves on pro-rata basis. Employees whose date of joining falls between 1st to the 15th of a month are entitled to get 2 leaves for that month, whereas, whose date of joining falls between 16th to the end of the month are not entitled for the leave that month.
- Balance Leaves cannot be forwarded to next calendar year nor can be claimed for encasement.
- please note: Staff working on same position are not entitled to avail leave at same time. Please pre-plan your leaves so that the work is not hampered.

### **Maternity Leave Eligibility**

An employee is entitled to this benefit subject to her having worked 80 days in the organization in the 12 months preceding her Date of Expected Delivery.

It is granted on full pay and counts as service for annual performance reviews, appraisals and increments.

The maximum period for which any employee be entitled to maternity benefit shall be twenty-six weeks.

The benefit could be availed by women for a period extending up to 8 weeks before the expected delivery date and remaining 18 weeks can be availed newborn. For women who are expecting after having 2 children, the duration of paid maternity leave shall be 12 weeks (i.e.,6 weeks pre and 6 weeks post expected date of delivery).

### **Regulations: -**

The applicant should inform about her pregnancy a minimum 2 months in advance before proceeding on leave.

The application should be supported by a medical certificate confirming the pregnancy and expected date of childbirth.

The applicant can avail eight weeks' leave before the date of delivery and eighteen-week leave post-delivery. The maximum leave benefit under normal circumstances will be 26 weeks.

Un-availed Maternity leave is non-cashable.

The weekly offs and holidays falling during this period will be part of the leaves availed.

It may be combined with any other kind of leave

### **Miscarriage/Abortion (Induced or Otherwise) Leave:**

a. In a female employee's entire service in the organization, 45 days of miscarriage/ abortion leave is admissible irrespective of the number of surviving children.

b. It may be granted in cases of miscarriage and abortion, including the abortion induced under the **Medical Termination of Pregnancy Act 1971** subject to the condition that the leave does not exceed 2 weeks from the date of miscarriage including abortion and the application for leave is supported by a medical certificate from the Authorized Medical Officer.

c. This leave is not admissible for threatened abortion.

### **Adoption Leave:**

a. For a female employee, on adoption of a child, Adoption Leave is due and admissible for a period up to one year or till such time the child is one year old, whichever is earlier.



- b. However, this facility will not be admissible in case she is already having two surviving children at the time of adoption.
- c. The leave will not be admissible unless the Adoption Certificate is submitted within 30 days of adoption.

### **Special Disability Leave Rules**

#### **1. Entitlement Rules:**

- a. It is admissible to an employee of the organization in the case of injury sustained in the course of official duties including journeys undertaken for special purposes.
- b. Only Full Time Permanent employees having served the organization for a minimum of 2 years are eligible to apply for this leave.
- c. It may be granted more than once if the disability is aggravated or recurs in similar circumstances later, but the maximum leave in consequence of any one disability should not exceed 4 months.
- d. SDL may be combined with any kind of leave.

#### **2. Salary/ Benefit Rules:**

- a. SDL is granted on full pay up to 60 days.
- b. If the employee is entitled to any benefit under the Group Insurance Act etc., the amount of leave salary will be reduced by the amount of benefit payable under the above Act

### **Paternity Leave**

All males with less than two surviving children for a period of 4 days can avail paternity leave to take care of his wife and a newborn child. He can avail these 4 days before or within 3 months from the date of delivery of the child. If such leave is not availed within the period, it shall be treated as lapsed.

Un-availed paternity leave is not cashable.

**Bereavement Leave:** You can avail a maximum of seven days leave following the death of the immediate family members. The immediate family members include spouse, parents, and parents in law, children, adopted child, siblings and grandparents.

### **5. Compensatory Off (CO)**

If employees are working for exigencies on **Sundays, Non-Working Saturdays, or declared Official holidays**, they can avail of compensatory off in lieu of it subject to the below norms:

- 1. Individuals can avail of compensatory leave only if it is pre-sanctioned / agreed upon by the reporting Manager prior to coming to the office on a holiday.
- 2. Compensatory Off can be applied through the mail.
- 3. A maximum of 2 Compensatory Offs can be availed consecutively.

4. Compensatory off against a particular date will be having a validity period of 1 month from that date beyond which the compensatory leave will lapse.
5. Compensatory Off can be clubbed with any other type of leave.

## 6. Disclaimer

Any special consideration/relaxation from the above-stated norms is at the discretion of the Management and requires authorization of the Project Director/Chief Functionary.

Annexure 2

### Conflict of Interest

In order to avoid potential conflict of interest, the employees cannot accept or engage in, directly or indirectly, any other work, employment or trade/business, and are expected to devote their full energies and best efforts to Organization's affairs. The Organisation prohibits the acceptance of any kind of gifts, whether in cash or kind, or any promotional aid, prize, reward, or any other item, any of which is intended for personal or family benefit, or financial benefit to the employee. Immediate members of the employee's family such as spouses, children, brothers, sisters, first degree cousins, uncles and aunts and by affinity such as in laws are not allowed to work at the Organisation to avoid potential conflict of interest. This clause should be read and interpreted in reference to the policy on Conflict of Interest As per Annexure- 1.

- **Purpose**

The purpose of the conflict-of-interest policy is to protect the FDI's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a member or director of the Organization or might result in a possible excess benefit transaction.

- **Definitions**

- a. **Interested Person**

Any director, or member of a committee with board delegated powers, who has a direct or indirect financial interest is an interested person.

- b. **Financial Interest**

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
- A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
- A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favours that are not insubstantial.

**CONFLICT OF INTEREST DEFINITION:**

The conflict between a person's duties and responsibilities arising from his position with an Organisation and the person's private interest. An "Organisation" is defined as any Implementing Organisation, Independent / Dependent, receiving assistance / Grant from the donor. FDI is entrusted with the proper handling of substantial amounts of money raised by FDI for specified charitable purposes. FDI has a legal and fiduciary obligation to account for the proper use and application of these funds, and each Funder and affiliated organization has a legal and fiduciary responsibility to account to FDI for the use of these funds. The funds provided to FDI are provided to benefit the designated sponsored projects, and not to benefit the individuals employed by the organisation or Service Areas and not to benefit the members of the Board of Directors and officers of the affiliated local organization or anyone employed by it. The only payment to be made to anyone affiliated with the Funder for their individual benefit is the agreed upon, reasonable compensation paid to Funder employees for services actually performed. Any other payment or use of FDI provided funds for the private benefit of the Funder employees, or local affiliate officers, board members and employees is prohibited. A clear conflict of interest exists when an individual associated with a funder deals with the Funder on a private basis. An individual who is a Project Director, or a board member of the affiliated organization, and who sells supplies to the Funder has a conflict of interest. The individual is both the purchaser on behalf of the Funder using Funder funds, and the seller in the same transaction. Likewise, if an individual affiliated with the Funder rents office space to the Funder, or rents office space from the Funder, he or she has a conflict of interest. Such conflicts of interest have the potential of damaging the Funder and of improperly diverting Funder funds where the Funder ends up paying more for goods or services than it would have to pay on the open market or ends up purchasing goods or services that it wouldn't otherwise purchase. Even where the transaction is not harmful to the Funder (or even when it is beneficial to the Funder), the potential for harm is always present, as is the appearance of apparent impropriety. FDI must avoid not only harmful conflicts of interest, but also all conflicts of interest. It is essential to avoid the appearance of misconduct as well as to avoid actual misconduct. Every situation involving a conflict of interest has to be investigated and audited to assure that there were no improper conduct. Thus, even where a transaction between an insider and the Funder is fair to the Funder, it still involves additional expense to the Funder and FDI because it has to be specifically investigated and verified. Because of these considerations, FDI has a strict policy against conflicts of interest involving FDI funds. It is the responsibility of the Board of Directors and officers of the affiliated organizations, and of Funder Directors and Funder employees, to avoid placing themselves in positions of conflict of interest with the Funder. No member of the Board of Directors, officer, or employee of the affiliated organization nor Funder Director or employee of the Funder, nor any relative of any such individual, may engage in any private business transaction with the Funder (except for reasonable agreed-upon compensation for services actually rendered as an employee). This restriction applies not only to the individual board members, officers, Funder Directors, employees and their relatives, but also to any business or companies which they own or in which they have a significant personal interest. This



restriction applies while such person is associated with the Funder and for six months thereafter. Funder employees are not to accept employment with any Funder supplier or any other business enterprise or activity that involves a potential conflict of interest. Funder employees are not to accept gifts or gratuities from vendors or suppliers. Employees should recommend to vendors and suppliers that any gifts, gratuities, or other premiums are given to the Funder or comparable value in price discount are made available to the Funder. Affiliated organization board members and officers, the Funder Director and key Funder employees must be sensitive to and guard against conflicts and apparent conflicts of interest. Conflicts of interest may also arise through affiliations with outside organizations. As discussed above, not only actual conflicts but also even potential conflicts must be avoided. Even just the appearance of a conflict of interest (for private advantage) will damage the credibility of a funder and must be avoided. Staff and board members must disclose any affiliations with grant recipients or competing organizations, as well as involvement with individuals with competing interests and objectives. This policy on conflicts of interest is of vital interest to FDI and violations of the policy will result in appropriate action being taken, which can include, but is not limited to, the Funder terminating employment, FDI disassociation from the Funder, termination of the organizational relationship to a funder and if necessary, termination of a funder or Service Area.