

Philanthropy Ireland

Codes of Practice

1. Introduction

This Code of Practice constitutes a recommendation to Philanthropy Ireland members (as defined in the Constitution). Its aim is to encourage respect, best practice, openness and transparency in all aspects of members' engagement with Philanthropy Ireland and their own grant making where appropriate, whether members are established as family foundations, corporate foundations or corporate giving programs, community foundations, private foundations or other grant-making organisations.

Depending on the legal structure of the member, they may already comply or may be working towards compliance with other governance codes such as the Charities Governance Code issued by the Charities Regulator.

The Philanthropy Ireland Code of Practice is intended to inform and support members in addition to the legal requirements relating to governance that our members may have depending on their legal structure.

The overall aim of this code is to offer inspiration and direction to all Philanthropy Ireland members.

2. Principles of Good Practice

This code is based on some key principles about grant-making in Ireland which Philanthropy Ireland commends to its members. These include:

- Acknowledgment by grantmakers of the importance of operating in accordance with the wishes of founders who provided initial capital, or in the case of community foundations and corporations, which are dependent on multiple donations, the wishes and concerns of these donors.
- Commitment by grant-makers to the development and promotion of innovative, flexible and effective responses to specific social, cultural, environmental, educational, scientific, health and economic challenges today.
- Acceptance by grant-makers, that in fulfilling their role in helping build a just, sustainable and pluralistic society, it is important that there is openness, transparency, integrity, accountability and self-regulation in the provision of resources to grantees.

3. Legal Responsibilities

All Boards of members of Philanthropy Ireland should be aware of the legal duties and obligations imposed on grantmaking member trustees. In summary, the major duties imposed on a trustee comprise:

- The duty of the trustee to avoid conflicts of interest - a trustee should not put himself or herself in a position where the trustee's own interests conflict with the interests of the beneficiaries
- The duty of the trustee not to make a personal profit from the position of trustee
- The duty of the trustee to act in the best interests of the beneficiaries

- The duty of the trustee to comply with the relevant trust instrument - the trustee should be familiar with the terms of the trust instrument
- The duty of the trustee to use ordinary business prudence when investing funds on behalf of the trust, and
- The duty of the trustee to seek advice where the trustee is unsure whether he or she is complying with one of the above duties

Additional duties may apply if the grant-making member trustee is a corporate trustee. The Board of a grant-making member that has corporate trustees should therefore be fully apprised of and comply with such additional duties.

The above is not intended to be a complete explanation of the legal principles that apply to trustees. If Boards of grant-making members have any doubt as to which duties apply to them or whether they are in compliance with particular duties, the Board should seek independent advice.

This code of conduct is a voluntary code. However, adherence to the code by grant-making members will ensure that members have a high standard of corporate governance that will in turn foster good practices and enhance public confidence in the integrity of the member.

4. Engagement with Philanthropy Ireland

Members of Philanthropy Ireland are asked to treat the organisation and its members with respect. Where a member is both undertaking donating and fundraising activities, no fundraising activities should take place at Philanthropy Ireland events or via the Philanthropy Ireland network.

5. Grantmaking

Grant-making organisations should define clearly their purposes and the purposes for which they provide grants and review these on a regular basis.

Communicating to the public and to applicants/grant-seekers these purposes and the procedures that are followed in grant-making is in the interest of all concerned. Effective communication is important if the grant-making process is to function well and if trust in the responsibility and accountability of grant-makers is to be maintained. Wherever possible, grant-makers should disclose appropriate information regarding their grant-making practices, including geographic and policy limitations and procedures and timetable for making grant decisions.

Grant-makers must comply with the GDPR. They should respect the confidentiality of applicants, grantees and donors and use discretion in communicating with others about specific organisations and individuals.

Grant-Seekers should be advised of the monitoring, evaluation and reporting requirements associated with receiving a grant.

Grant-makers need to be alert and responsive to changing conditions in society and to the changing needs and merits of particular grant-seeking organisations. Grant-making organisations are encouraged to seek ideas and comments from a variety of independent sources with appropriate knowledge and expertise to add to the input from staff and board members.

Grant-makers undertake to inform the general public about their activities in ways commensurate with the size of grant-makers operations. This may include periodic reports, preferably annual reports, possibly supplemented by newsletters, articles and the use of other communication channels such as websites.