



Philadelphia Home and School Council
Families supporting Philadelphia schools since 1897

Conducting an Ethics Audit at Philadelphia Home and School Council

“A comprehensive ethics audit should assess the extent to which agencies have practices, procedures, and policies in place to protect clients, identify ethics-related risks, and prevent ethics complaints and ethics-related litigation.”

-- Frederick Reamer, in *The Social Work Ethics Audit: A Risk Management Tool*

Follow this road map for conducting an ethics audit:

Define the Purpose Example:

“To review the operations of the organization to ensure that it both knows and complies with: (i) the minimum standards set by law (societal/ legal audit); (ii) the higher standards that our organization should have of itself (internal audit); and (iii) the highest standards that our organization strives to achieve for those with which it interacts, including donors and the general public (relational audit); and (iv) in the process, identify any areas that need improvement so corrective action can be taken.”

Process:

Who:

Who should be involved in the ethics audit? A task force of board members and associations? Will other volunteers from the community be asked to participate? Donors? An ethics audit is most effective when it is conducted throughout the organization – not just with board members, but also with member associations, the School District of Philadelphia Staff, and other stakeholders of the organization.

What:

The audit process should look at the overall organization, as well as its component parts, such as special program areas, operational and administrative areas such as fundraising, personnel practices, document storage/confidentiality of information regarding clients and others, use of resources, conflicts of interests, and more. The review should address, among others, the following questions:

1. Do external laws apply to the organization, and do the people who need to know about those laws [e.g., associations, chairpersons, and volunteers] know the requirements?
2. Do internal, agreed-upon values/standards exist? (does the nonprofit have a Code of Ethics, or Statement of Values?)
 - If so, are those internal and external standards shared in a meaningful way? Do the organization's actions align with its articulated values?
 - Does a system exist (and is it known) for complaints about ethical issues? How are the articulated values kept visible and vibrant?

When:

A comprehensive ethics audit should be conducted regularly, such as every 3-5 years (depending on the needs of Philadelphia Home and School Council) with periodic reviews more frequently (such as an annual review of any changes to external legal standards), to review written guidelines (such as a code of ethics), or the soundness of training.

Why:

An ethics audit is a risk management strategy that can help the Philadelphia Home and School Council avoid legal liability, protect the organization's mission/those it serves, and it's also the right thing to do.

How:

An ethics audit can be conducted either internally (by a respected Executive Board member and/or HSA Officer) or externally (by an independent and respected professional advisor or leader of an affiliated organization).

Next steps:

Finish an ethics audit with a call to action: break down barriers to ethical conduct, strengthen the organization's code of ethics, develop necessary procedures, or support the Executive Board, HSA Officers, and Volunteers with meaningful training.