



ETHICAL PRINCIPLES

AGWA Members embrace these values when grantseeking and administering grants:

1. Members put philanthropic mission above personal gain.
2. Members affirm, through personal giving, a commitment to philanthropy.
3. Members improve their professional knowledge and skills so their performance will better serve others.
4. Members practice their profession with the absolute obligation to safeguard the public trust.
5. Members value privacy and freedom of choice.
6. Members foster cultural diversity and pluralistic values, and treat all people with dignity and respect.
7. Members avoid even the appearance of any criminal offense or professional misconduct.
8. Members bring credit to the profession by their public demeanor.
9. Members act according to the highest standards and visions of their organization, profession, and conscience.
10. Members are aware of codes of ethics by other professional organizations that serve philanthropy.

Standards of Professional Practice

- Standard 1. Members shall not engage in activities that harm their employers, clients, volunteers, the association, other members, or the grant profession.
- Standard 2. Members shall not engage in activities that conflict with their fiduciary, ethical, and legal obligations to their employers or clients.
- Standard 3. Members shall effectively disclose all potential and actual conflicts of interest, however such disclosure does not preclude or imply ethical impropriety.
- Standard 4. Members shall not exploit any relationship with a grantmaker, employer, volunteer, the association, vendor, or client to the benefit of the member.
- Standard 5. Members shall comply with all applicable local, state and federal civil and criminal laws.
- Standard 6. Members recognize their individual boundaries of competence and are forthcoming and truthful about their professional experience and qualifications.
- Standard 7. Members shall take care that all solicitation materials and grant management reports are accurate and not misleading.
- Standard 8. Members shall take care that grants are used in accordance with grantmaker's intentions and guidelines.
- Standard 9. Members shall not disclose privileged or confidential information to unauthorized parties.
- Standard 10. Members shall adhere to the principle that all donor and prospect information created by an organization is the property of that organization and shall not be transferred or utilized except on behalf of that organization.
- Standard 11. Members shall not accept compensation that is based on a percentage of contributions or contingent upon award of a grant.
- Standard 12. Members may accept from employers any performance-based compensation, such as bonuses, provided they are in accord with prevailing practices within the organization, and are not based on a percentage of contributions.
- Standard 13: Members shall not pay finder's fees to gain access to donors, and shall take care to discourage their organizations from making such payments.

- Standard 14: Members shall, when stating fundraising results, use accurate and consistent accounting methods that conform to the appropriate guidelines adopted by the American Institute of Certified Public Accountants (AICPA) for the type of organization involved.
- Standard 15: Members shall fulfill commitments made to the association, employers, clients, grantmakers, and other members.
- Standard 16: Members shall respect the right of Foundation grantmakers to stipulate “by invitation only” by not approaching said grantmaker by any means until an invitation to apply has been presented by said grantmaker.
- Standard 17: The client has exclusive rights to the Grant Consulting entity’s grant writing services, unless otherwise stipulated in the written contract.
- Standard 18: The Grant Consulting entity shall not receive, nor handle, any funds from a grant award.
- Standard 19: The Grant Consulting entity shall not apply for any grant on behalf of any client; the client must always be the grant applicant.
- Standard 20: The Grant Consulting entity shall comply with all laws and regulations, such as but not limited to, the Secretary of State and the State Charity Official, in every State in which the Grant Consulting entity is conducting business.
- Standard 21: The Grant Consulting entity may accept deposits, progress payments, or payment in full prior to commencing work, as long as this practice conforms to State laws and regulations.
- Standard 22: The Grant Consulting entity may set fees based on an hourly basis or a project basis (that is calculated by estimating the hours needed to complete the service).
- Standard 23: The Grant Consulting entity may not accept compensation that is a retainer, bonus, commission-based, or contingency-based.

Professional Standards and Ethics Exercise

1. True or False.
It is ethical to send a letter or proposal to a Foundation that has specified any of the following: by invitation only, applications not accepted, or “no unsolicited proposals”.
2. True or False.
A person (employee or consultant) who wrote a grant for a company may be hired as an “outside” or “external” evaluator for that same company.
3. True or False.
It would be ethical to hire an “outside evaluator” for a grant that did not have an arms-length relationship to the grant writer, grantee or the grantee’s employees.
4. True or False.
It is ethical for a Grant Consulting entity to write a proposal for the same grant opportunity for more than one business entity under all circumstances.
5. True or False.
Nonprofits must register with the State Charity Official in the State of ____.
6. True or False.
Grant Consultants must register with the State Charity Official in the State of ____.
7. True or False.
Grant Consultants may accept a retainer.
8. True or False.
Grant Consultants, doing business in any State, may accept a down payment or progress payment.
9. True or False.
Members may ignore unethical practices of others and not report same to the organization’s leadership or appropriate authorities.
10. True or False.
Members must inform appropriate organizational leadership of any illegal practices in which their organization may be participating.
11. True or False.
A member may hold an ownership interest in a potential or actual vendor firm without reporting such interest to the organization’s leadership.

12. True or False.
Members must assure that the compelling purpose of grantmaking is to ensure that the wishes of the grantmaker are carried out.
13. True or False.
A member may accept a gift of more than token value from a grantmaker who became known to them as a consequence of a member's current or past employment or consulting.
14. True or False.
When a member recognizes that one's employer may not be in compliance with applicable laws due to lack of knowledge, the member is ethically required to bring this to the attention of appropriate organization leadership.
15. True or False
Members may exaggerate their role in preparing grants, or take credit for the work of others.
16. True of False.
A person may promote membership in American Grant Writers' Association, when in fact, there has never been a membership, or membership has expired.
17. True or False.
A person may promote his Certified Grant Writer® credential after the expiration date on the certificate.
18. True or False.
A person may misrepresent facts about the number of clients served, demographics, activities completed, or support received in any documents related to the grant processes.
19. True or False.
An organization must use a grantmaker's contribution as indicated in the grant proposal or other documentation.
20. True or False.
If a program is overfunded for one year, a program grant may be used for a future year, or another program, without obtaining prior consent from the grantmaker.
21. True or False.
If a program is overfunded, an operating grant may be used to fund another of the organization's programs in the same year, without obtaining prior consent from the grantmaker.

22. True or False.
Members may accept compensation that is based on a percentage of the grant award.
23. True or False.
Members may accept compensation for grant writing that is disguised as salary or other services, when in truth it is based on a percentage of grant awards.
24. True or False.
Members who work as employees may accept a bonus as long as it is not based on a percentage of contributions, and is based on prevailing practices within the organization
25. True or False.
Members who work as independent grant consultants may accept a bonus (compensation) based on the fact that the grant was awarded to a client.
26. True or False.
Members may accept compensation for grant writing based on an hourly fee, or a project fee that is based on the estimated hours to produce the grant application.
27. True or False.
Members may accept compensation that is contingent upon the grant award.
28. True or False.
Members may pay a finder's fee to gain access to a grantmaker.
29. True or False.
Members shall use AICPA guidelines when stating fundraising results.

30. True or False
A Grant Consulting entity may accept compensation that is a contingency based.
31. True or False
A Grant Consulting entity may accept compensation that is commission based.
32. True or False
A Grant Consulting entity may accept compensation that is a bonus.
33. True or False
A Grant Consulting entity must only comply with the laws and regulations in the State of its legal domicile.
34. True or False
A Grant Consulting entity may apply (be the applicant) for a grant on behalf of its clients.
35. True or False
A Grant Consulting entity may receive or distribute grant funds for a client.
36. True or False
A client has the exclusive rights to the grant writing services of the Grant Consulting entity unless otherwise stipulated in the written contract.
37. True or False
A Grant Consulting entity may contract with a client for grant writing services with a verbal or handshake agreement.

Short Answer Question.

38. Why is it unethical for a grant writer to accept compensation based on a percentage of fundraising results?

Hint: The answer is not “because it is so stated in the AGWA Professional Standards and Ethics.”