

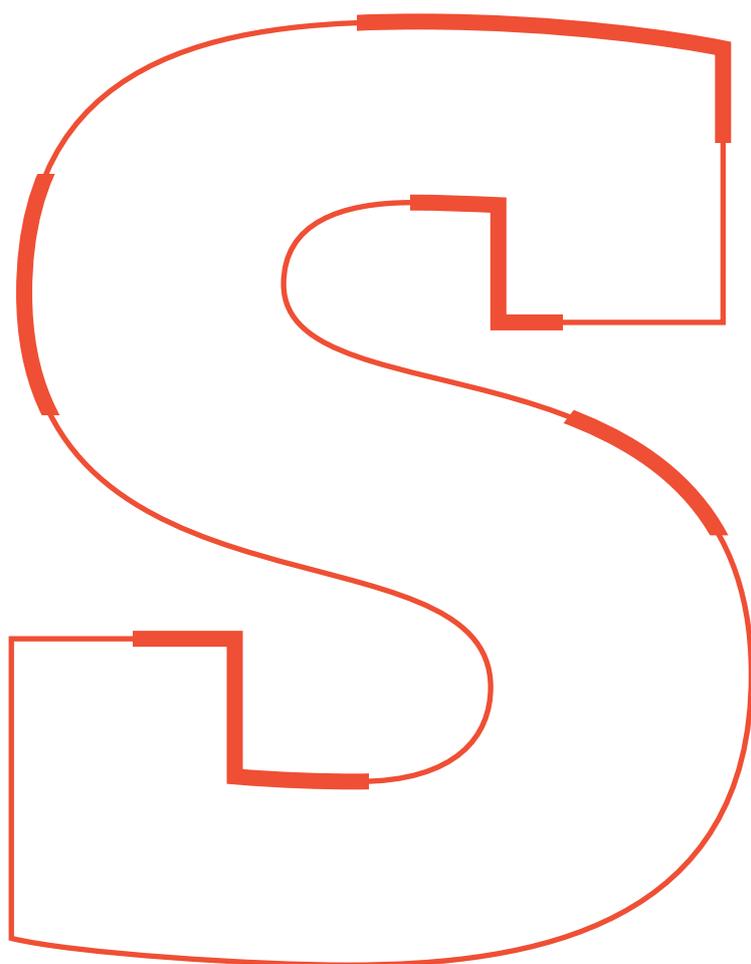


# STANDARDS FOR CORPORATE FOUNDATIONS

---

**POLISH DONORS FORUM'S HANDBOOK FOR BOARD MEMBERS  
AND EMPLOYEES OF CORPORATE FOUNDATIONS**





# STANDARDS FOR CORPORATE FOUNDATIONS

# 1

## INTRODUCTION

- Introductory remarks – Ewa Krupa > 4
- The important role of standards and self-regulatory mechanisms – GERRY SALOLE > 6
- About the Polish Donors Forum > 8
- How the standards were created and how to use them > 10
- How to run self-verification > 12

# 2

## STANDARDS

- Accountability, Disclosure, Transparency and Compliance > 17
- Standard I: Mission Statement and Strategic Goals > 18
- Standard II: Selection of Support Areas > 20
- Standard III: Relations with Beneficiaries > 22
- Standard IV: Support Policy and Procedures > 24
- Standard V: Funding > 28
- Standard VI: Finance Management > 30
- Standard VII: Relations with the Founder > 32
- Standard VIII: Governance > 34
- Standard IX: Employees and Volunteers > 36
- Standard X: External Relations > 38
- Standard XI: Evaluation > 40

# 3

## USEFUL RESOURCES

- Selected resources concerning various aspects of corporate foundations' functioning > 44



---

# INTRODUCTION

# Introductory remarks

**EWA KRUPA**



“ I wish to thank and congratulate representatives of the foundations that jointly worked out the set of 12 standards. I would like to thank you for your openness, active participation in workshops, sharing your experiences and doubts, and presenting good practices.

## **L**adies and Gentlemen,

It is with great pleasure that we present to you the handbook entitled “Standards for Corporate Foundations”. It is a set of guidelines to help in effective management of foundations established by companies. It constitutes the fruit of three years of joint work of 45 corporate foundations carried out with the support of the Polish Donors Forum. The standards are a tool of self-regulation. And its value is the higher as it shows the foundations' quest for perfecting its own operations, for setting the bar high and for acting based on principles going beyond the binding legal framework.

We are glad that corporate foundations associated in the Polish Donors Forum invited the whole milieu of foundations established by business in Poland to work on the guidelines. Together, through meetings and discussions, they have worked out the best – in our opinion – solutions in 12 areas, based on good practices from Poland and abroad, and their efficiency has already been verified in practice by project participants. The solutions are recommended for all corporate foundations.

Why did we care so much about creating standards? The mission of the Polish Donors Forum consists in developing institutionalised philanthropy in Poland. Corporate foundations

are among philanthropic organizations as independent entities, majority of which provide grants or scholarships. They are, therefore, donors. From its establishment in 2004, the Forum has been popularizing high standards of operations of non-governmental organizations, in particular those who are donors. In order to become a member of our association, an organization must meet the requirements contained in the Forum's bylaws concerning disclosure, transparency, efficiency and partner-like relations with beneficiaries.

As the experience of the Polish Donors Forum and other organizations in Poland and abroad shows, self-regulation is a very efficient form of enhancing the quality of activities carried out by an organization. Contrary to overregulation of behaviour models in the field of law, self-regulation motivates and supports the organization in development. When formulating the standards together, the foundations were well aware that they themselves will have to meet ambitious challenges set by them. However, the supreme goal was professionalization and increasing effectiveness of own activities. This mission statement of the project was a source of motivation for its participants, and the effects – the need to adapt own activities to the guidelines – will be felt most by themselves.

How did the project benefit corporate foundations apart from giving them a set of principles and guidelines? Above all, it allowed them to build common identity of corporate foundations' milieu. It is very diversified: the organizations differ in terms of areas of engagement, geographical impact, form of support, size of teams, budgets and the extent of being tied to the founder. Enormous value stems from this diversity. During the work, we saw a multitude of opinions and experiences, and thanks to having shared and discussed various perspectives we are certain that the standards are universal and can be applied by different organizations. Common identity was created thanks to engagement of participants, their openness to dialogue, sharing experiences and opinions, sometimes in matters that were difficult or sensitive. It would not have been possible, had it not been for democratic character of the whole process: each participant had exactly the same right to present his or her opinion, and all standards worked out were adopted through a vote.

I am very happy that the Polish Donors Forum, whom I have the pleasure to represent, proposed the challenge of creating standards to corporate foundations and highlighted many valuable initiatives of those organizations. For me personally, active participation in formulating of the standards, learning the practices of other foundations, as well as sharing our own with you was a very important experience. During the project, new, invaluable acquaintances were made. Thanks to the project we all know more about the functioning of corporate foundations in Poland, we can draw comparisons, inspire and invite each other to cooperation. In the case of doubts or dilemmas, we can seek each other's opinions or advice from other – now well known to us - foundations.

This publication contains a full list of 12 standards with descriptions, as well as good examples of their application by foundations and verifying questions aimed at checking whether a given standard is being applied. Moreover, we contained a description of the project whose aim was to work out the said guidelines, the manner of working on them and a list of foundations engaged in their creation. We asked the CEO of European Foundation Centre, the biggest union of European foundations, associating among others corporate foundations and promoting high standards of their operations, for a word of comment. Furthermore, we attached useful resources that can be helpful in each foundation's activities.

I wish to thank and congratulate representatives of the foundations that jointly worked out the set of 12 standards. I would like to thank you for your openness, active participation in workshops, sharing your experiences and doubts, and presenting good practices.

I wish to thank and congratulate the trainers who supported project participants. Your engagement helped to keep high motivation and engagement among project participants throughout long period of meetings and workshops. I wish to give special thanks to Lidia Kuczmierowska, who was the lead trainer moderating and conducting workshops. Moreover, I would like to thank the coaches working with individual foundations: Natalia Ćwik-Obrębowska, Joanna Gabrysiak-Wadowska, Tomasz Schimanek, Rafał Świeżak and Alicja Zajączkowska. We are thankful to the "Trzeci Sektor" quarterly for covering the seminars and for their openness towards popularizing the effects of the project.

I wish to give special thanks to the Forum's team: Agata Tomaszewska, Kamila Woźniak and Magdalena Pękacka for conducting the project in a responsible and professional manner, for their know-how and huge workload connected with preparing seminars, workshops and recording the standards, as well as for preparation of the present publication. I am grateful to You above all for creating an atmosphere in which working on the standards was a true pleasure.

Application of the principles promoted by the present handbook is voluntary. On behalf of the Polish Donors Forum, we cordially encourage you to use them when establishing and developing your foundations. Do not hesitate to contact us and inform us to what extent the standards are useful in your work. Shall you have any doubts as to the understanding of individual items, the team of the Polish Donors Forum is there to support you. We also count on your help in popularizing the standards and encouraging other organizations to implement them.

We do hope that the present handbook will be a valuable source for those who manage corporate foundations and those who work in them. We are certain that it will also be a significant support for founders and people responsible for establishing foundations in companies; it is worth consulting it already at the stage of deciding to set up a foundation. Moreover, we encourage members of the academia and students interested in management of non-governmental organizations, ethics in organizations and corporate social responsibility to familiarize themselves with the present publication. We extend our invitation also to journalists and all those who wish to deepen their knowledge about corporate foundations. In this context, it is worth consulting also the report on corporate foundations published by the Polish Donors Forum in 2012.

I wish you inspiring reading and fruitful implementation of the standards in foundations!

**Ewa Krupa**

*President of the Board, Polish Donors Forum*

# The important role of standards and self-regulatory mechanisms

**GERRY SALOLE**



“Rather, regulation and self-regulation should be considered as complementary tools in achieving an optimal state of accountability and transparency

**T**he European Foundation Centre very much welcomes the Polish Donors Forum’s Standards for Corporate Foundations, which fit well in the context of the growing importance and relevance of self-regulatory and soft law approaches in Europe.

Self-regulatory mechanisms have been developed since the 1990s as tailored tools to optimise effective operations, accountability and transparency of public-benefit foundations through commonly accepted standards. Self-regulatory initiatives are found throughout Europe and in a number of countries there’s more than one self-regulatory tool tailored to different types of organisations. During recent years, there has been a great deal of interest specifically in the accountability and transparency regulation of public-benefit foundations from various stakeholders. The driving force behind most recent self-regulatory and legislative initiatives appears to be the increased economic importance of the sector, which needs to be acknowledged among policy-makers at the national and EU level.

Self-regulation does have a special role to play – self-regulatory tools are flexible and dynamic; their application can be tailored to the needs of specific organisational types (such as corporate foundations as in this case) and the tools can evolve in response to changing contexts. By not merely complying with the relevant law but developing and adhering to a set of additional pre-agreed and publicised principles and practices, foundations can demonstrate their commitment to high standards and good practice in areas such as good governance and management, transparency and accountability. By taking a proactive approach it sends a clear signal to legislators that some issues can be better dealt with by soft than by hard law approaches.

Important to keep in mind is one of the key conclusions of a 2011 joint study of the EFC and the Donors and Foundations Networks in Europe (DAFNE). In the study it states that the interplay between regulation and self-regulation of foundations is not “a zero sum game” when it comes to transparency and accountability (i.e. the tenet that where there is more

self-regulation, less public regulation is needed, or vice-versa, does not hold true). Rather, regulation and self-regulation should be considered as complementary tools in achieving an optimal state of accountability and transparency and one has to be aware that the interplay between hard and soft law approaches varies widely across Europe. This underlines that a regulatory "one size fits all" approach to self-regulation will not work, but carefully tailored tools do add value for foundations and their stakeholders alike.



We complement the Polish Donors Forum on their thorough and participatory approach in developing the standards.

The EFC has itself undertaken a recent revision of its Principles of Good Practice - the development and use of the Principles is an ongoing process and regular review is important to keep them relevant and effective. The aim of the latest review was to strengthen and bring to life the Principles and to encourage our members to raise the bar in the way that best meets their context and the supports their work. Similar to the Polish exercise, it was a member-led and participatory process – the review was conducted at the instigation of members and led by a task force of members.

We have been following the Polish Donors Forum project on developing Standards for Corporate Foundations over the past three years and EFC members, as well as the EFC secretariat, have been actively participating in the process by joining thematic seminars and conferences and exchanging views with their Polish colleagues. We complement the Polish Donors Forum on their thorough and participatory approach in developing the standards. Building on relevant research and consulting with Polish as well as other European peers and partners, different perspectives were taken into account when developing the detailed guidance for Polish corporate foundations. We trust that the standards will enable corporate foundations in Poland to improve their work and grant-making activities.

We also believe that foundations and funders should be encouraged to openly discuss best practices and self-regulatory mechanisms. This should be coupled with enhanced dialogue at national and European level, with governments and legislators, to influence the political debate about the role of foundations and to strategically position foundations as part of the solution in the policy arena.

**Gerry Salole**

*Chief Executive Officer, European Foundation Centre*

# About the Polish Donors Forum

The Polish Donors Forum was established to develop strategic institutional philanthropy through fostering cooperation between grant-making organizations and encouraging new entities to engage in philanthropy. The Forum's goal is also to create and popularize standards of good operations, in particular of disclosure and transparency, among Polish organizations.

Since 2004, we have uninterruptedly been conducting educational and research activities, building relations between organizations in Poland and abroad, supporting our members, and systematically organizing open conferences and seminars, where we present good grant practices and new and innovative solutions from different countries to wider audiences. We promote wise and effective institutional philanthropy and corporate social engagement, among others in the annual contest of Leaders of Philanthropy.

One of the Forum's undertakings with particularly great importance for foundations was the series of meetings and conferences entitled "The Role and Models of Foundations in Poland and in Europe" organized in the years 2008–2009. It bore the fruit in the form of an analysis of existing legal solutions pertaining to foundations and a debate on whether the Polish and European law favours social initiatives and creation of new private sources of financing for socially useful activities. From the very onset of its existence, the Forum has been systematically monitoring the law, consulting drafts of amendments to the law and presenting own proposals concerning better legislative solutions for social engagement and philanthropy. Through its activities of educational and promotional character, it popularizes self-regulation

mechanisms of non-governmental organizations and high standards of management and governance.

The Polish Donors Forum is the only organization of its kind, representing Polish private grant-making organizations also on the international arena. Since its establishment, it has been contributing to the works of the European DAFNE (Donors and Foundations Networks in Europe) network, which it is a member of. Currently, DAFNE is composed of 24 national donors associations – the Forum's sister organizations from the EU member states and Russia, Ukraine and Turkey. Furthermore, the Forum cooperates with the European Foundations Centre.

Currently, the Polish Donors Forum is comprised of 26 organizations: 23 foundations, including 15 corporate foundations, and 3 associations, 2 of them being local funds. Membership in the Forum is open to organizations which for at least three years have been providing subsidies, grants, gifts, scholarships, awards or other forms of support to no fewer than 10 entities per year, allocating for its grant-making activities not less than 300 000 PLN and 20% of its annual budget for programme activities, and in the case of local funds – at least 100 000 PLN. Becoming member of the Forum, each organization undertakes to obey the By-laws and standards of functioning adopted by the Polish Donors Forum. Member organizations operate on non profit basis and are apolitical.

The Forum is open to new members who are ready to abide by high standards of functioning, engage in own development and exchange of experiences with others, and take care of the future of philanthropy and non-governmental sector in Poland.

10th Anniversary  
of the Polish Donors  
Forum, October 17,  
2014



# DEFINITION OF CORPORATE FOUNDATION



Corporate foundation is a foundation whose founder (or one of founders) is a company or several companies, as well as a foundation established by a person (persons) connected to the company, as long as there is currently a connection between the company and the foundation.



# How were the standards created and how to use them

---

**F**ive years after the first study concerning corporate foundations, which the Polish Donors Forum carried out in 2007<sup>1</sup>, more companies established their foundations, and popularity of that form of corporate social engagement grew year by year<sup>2</sup>. The 2012 study of the Polish Donors Forum<sup>3</sup> confirmed that trend. Corporate foundations started to gain more and more significance in Polish institutionalised philanthropy. Frequently, however, these organizations, in particular the new ones, did not have any contacts with already existing corporate foundations, and thus had no opportunity to exchange knowledge, experiences, to compare own activities and to establish possible cooperation. Principles and practice of foundation management were based on business standards or those of non-governmental organizations (NGOs), depending on the professional experience of those who managed a given foundation. There was a dire need for corporate foundations, whose unique feature is the fact that they operate at the meeting point of the non-governmental sector and business, to meet each other, exchange information and work out common standards of operation, taking into account the character of their organization.

Wishing to address that need, the Polish Donors Forum invited corporate foundations to participate in a project whose assumptions and thematic scope had been based on the results of the 2012 study of corporate foundations, the Forum's experience and know-how gathered by its members and external experts cooperating with the organization, and, most importantly, on the needs presented by the very interested foundations. In the years 2012-2015, representatives of 45 foundations from all over Poland met every three months in Warsaw in order to deepen their knowledge about foundations in Poland and abroad during seminars. Seminar topics focused both to organizational management, as well as grant-making activity. Experts and representatives of different foundations from Poland and abroad explained how they had arrived at certain procedures and solutions and how that translated into efficiency of activities and strengthened the

credibility of their organizations. Each time, on the day after the seminar, project participants jointly worked out a standard for a given area during workshops, which was also an opportunity to discuss various aspects of foundation's operations, to compare solutions applied, to reflect upon current issues and to think about potential obstacles and elements facilitating operations of foundations, as well as what the ideal situation should be. Persons active in various foundations, often stemming from competitive companies, got to know each other better and better, they were more and more open and willing to exchange experiences. Today, workshop participants emphasize how much they learnt from each other, and how much inspiration they got to act and to cooperate with the foundations that they met during the project. Thanks to such openness and readiness to change, 12 basic standards were worked out, which can serve as a basis for assessment of activities of own organization or for introducing any modifications to it. Moreover, they can be extremely useful for newly established foundations. The norms specify how the foundation should define its mission and strategic goals; how it should select the support areas; how to check whether the activities undertaken bring the desired effect. Representatives of foundations agreed on optimum principles for providing support both to other organizations, as well as individuals, and building relations with foundation's beneficiaries and other stakeholders. Another vital element of the work was the agreement on rules concerning financing of corporate foundations and management of their finances, as well as, what is particularly important in this group, of building partner-like relations with the founder, which at the same time do not undermine the foundation's independence. Moreover, it was agreed what bodies should function within a corporate foundation and what their composition should be, how to build and retain teams of employees and volunteers. Supreme principles for all the standards are: accountability, disclosure and transparency.

The standards were created in a participatory, bottom-up manner. They were formulated by people who are responsible for their implementation in individual foundations. Wording of the

<sup>1</sup> "Corporate Foundations in Poland – 2007 Report on the Survey", Polish Donors Forum, [http://www.forumdarczynow.pl/docs/download/ceenergi\\_report\\_eng.pdf](http://www.forumdarczynow.pl/docs/download/ceenergi_report_eng.pdf)

<sup>2</sup> Each year, more and more companies participating in the Top Corporate Philanthropists Award have their foundations.

<sup>3</sup> "Corporate Foundations in Poland – 2012 Study Report", Polish Donors Forum, [http://www.forumdarczynow.pl/docs/download/corporate\\_foundations\\_in\\_poland\\_key\\_facts\\_2012.pdf](http://www.forumdarczynow.pl/docs/download/corporate_foundations_in_poland_key_facts_2012.pdf)

standards was defined by the team of the Polish Donors Forum and a trainer based on postulates presented during workshops, and subsequently presented to participants for consultations, corrected if needed, and then adopted by the foundations through a vote. Thanks to this process, corporate foundations are indeed authors of the standards. Each foundation was able to use individual support of a coach-advisor in ongoing implementation of the standards, which made it possible not only to create norms, but also to initiate a process of self-reflection on own practices, analysis of what and how is not being done, how daily activities of the foundation contribute to achieving its goals, and how these activities, their course and procedures can be streamlined.

Project participants decided that the first stage of verification to what extent a given foundation meets a standard should entail self-assessment. Despite its weaknesses, such as lack of an external, neutral expert opinion, self-verification constitutes an important tool of education and self-improvement of foundations. A well-conducted self-verification that will point to areas in need of improvement is, however, conditioned by an honest assessment and readiness to change. The set of standards is accompanied by a list of questions helping to verify whether a given standard is being met. The questions were worded in such a manner that is it impossible to answer them with a simple “yes” or “no”. A positive answer requires a “proof”, i.e. a document that confirms that the particular standard is fulfilled. Moreover, each standard comes with a description of good practices of its application, which helps to better understand the standard and suggests concrete operations, proven in practice by other foundations.

The handbook prepared by the Polish Donors Forum is addressed to all corporate foundations: those who wish to verify their manner of functioning, as well as those who are in the process of creation, who look for clues and wish to learn and source their inspiration from best practices and applied solutions.



**FIONA ELLIS**  
Author of the Good Practice Guide for Corporate Foundations and Trustee of the Nationwide Foundation, U.K.

“ The Polish Donors Forum is aiming high with these standards. Learning from its own and international experience it has taken the best practice and given corporate donors a valuable guide to how to make best use of their donations.



**JAVIER MARTIN**  
Cavanna founder and executive director Fundación Compromiso y Transparencia, Spain

“ With the approval of the standards for Polish corporate foundations, the Polish Donors Forum is placed on top of efforts to boost accountability of corporate foundation sector in Europe. The work of preparing the standards based on consensus with the sector and dialogue with similar European initiatives is a guarantee of their relevance and acceptance.

# How to undertake self-verification

The aim of standardization is development and improvement of organizations. An important element of this process is voluntary self-verification, making it possible to assess to what extent a standard is being met. Recommendations presented below help to make it useful, objective and reliable.

## PRINCIPLES

### Honesty and reliability

Self-verification is based on the principles of honesty and trust. Persons conducting self-verification spare no effort to provide reliable and responsible answers to self-verification questions. They are ready to identify areas in need of change based on their knowledge and experience gathered during work in the foundation. Full, reliable and credible proof is attached to the checklist.

### Openness

Results of self-verification are communicated to all stakeholders, in particular to bodies of the foundation and the founder. When presenting results of self-verification to people not engaged in the process of assessment, the foundation board relates them to the content of individual standards, ensuring their best understanding.

## METHOD

### Team character of self-verification

Engaging a team of people responsible in a foundation for different tasks and having the right level of competences in the process of self-verification will ensure better quality of assessment. Moreover, persons from outside the foundation (e.g. partners, beneficiaries) may be included in self-verification. Participatory character of the process will increase its objectivity and facilitate subsequent implementation of resulting changes.

### Basing the assessment on dialogue

Self-verification should be conducted as a discussion, allowing for a multitude of perspectives and views. Contentious issues, however, should be solved based on facts, and not opinions. Dialogue serves a fuller assessment and commonality of its results. It is advisable that the discussion should be moderated by an independent person who is not directly engaged in assessing the fulfilment of individual standards.

### Unambiguousness of assessment

Unambiguous answer is given to each question. "Yes" can be marked when unambiguous answer to the whole question is positive; "no" is marked when the answer is negative or when despite discussions there are doubts whether the condition contained in the question is fulfilled or not. The checklist is marked in writing, and appropriate documents (proof of meeting the standard) are attached. The proof serves for standard verification and as an internal source for subsequent self-verifications.

### Regularity of assessment

Self-verification should be carried out at least every two years.



After agreeing on answers to the checklist questions, it is advisable to prepare a repair plan, i.e. recommendations what should be done by whom and within what time frame, so that next time the answer to that question could be positive and the standard would be 100% fulfilled. Based on that plan the date of the next self-verification is defined.

**10**

WORKSHOPS

**8**

SEMINARS

**45**

FOUNDATIONS  
PARTICIPATING  
IN THE PROJECT

**55**

STUDIED CORPORATE  
FOUNDATIONS

**83**

SPEAKERS FROM  
11 COUNTRIES

**2**

CONFERENCES

**98**

FOUNDATIONS'  
REPRESENTATIVES  
PARTICIPATING  
IN THE PROJECT

**333**

INDIVIDUAL COACHING  
AND ADVISORY MEETINGS



---

STANDARDS

**W**ithin 25 years of independent Poland, over 100 foundations were established by companies. Corporate foundations were set up by companies as an expression of their solidarity and social engagement. They are a tool of philanthropy understood in the modern way, namely as aiming at achieving social change.

Principles of functioning of corporate foundations should be governed not only by the provisions of law, but also standards and guidelines. Striving to achieve set goals and desired results, foundations pay particular attention to the manner in which they are attained, caring for reliable management of the organization, its independence, stability and effectiveness.

"Standards for Corporate Foundations" is a set of rules and guidelines created in a participatory, bottom-up manner, in line with the spirit of self-regulation. They support foundations in developing and perfecting their socially useful activities. We recommend application of the principles described in the handbook to all corporate foundations in Poland. Making use of the handbook is also advisable for companies which are considering establishing a foundation.

Thanking all those who jointly and in a democratic manner created the present standards, the Polish Donors Forum wishes to urge everyone to respect them as common good of all corporate foundations in Poland. The standards are an effect of good will and a manifestation of responsibility of the corporate foundations' milieu. The organizations voluntarily undertake to obey the principles worked out and to promote them.

# CORPORATE FOUNDATION

**1**

Has a written, publically available **mission**, which it reliably pursues based on appropriately set strategic goals.

**2**

Selects areas to support based on a deepened **analysis of social needs** and in line with its resources and competences.

**3**

Cares for **partner-like relations with beneficiaries**, has clear, comprehensive, written and open principles and criteria for granting support.

**4**

Aims at making **means from the founder** its main source of financing, and approaches means from other sources with due caution.

**5**

Reliably and effectively manages finance. It presents information about its income and cost **in a comprehensible manner to the public**.

**6**

Cares for **partner-like relations with the founder**.

**7**

Does not directly support business activity of its founder.

**8**

It has a collegial **board and a supervisory body**, and members thereof have the right qualifications and ethical attitude.

**9**

Has its own **team of competent employees**.

**10**

**Cares for transparent relations with its surroundings**, based on dialogue and understanding of mutual needs and obligations.

**11**

Regularly **performs assessment** of quality and effectiveness of **its operations**, and uses gathered conclusions to improve them.

# Accountability, Disclosure, Transparency and Compliance

---

**STANDARD** Corporate foundations shall ensure accountability and compliance of their operations and shall adhere not only to the letter but also to the spirit of applicable laws and regulations. As public trust organisations eligible for tax incentives, corporate foundations shall operate to pursue public benefit in an open and transparent manner and shall be fully accountable to the public for their commitments and actions.

The pursuit of social goals and ethical conduct shall be at the heart of corporate foundation's day-to-day work and interactions with stakeholders, including beneficiaries, employees, the founder and the general public. While ensuring full compliance, corporate foundations adhere to the statutory standards and obligations and to voluntary standards of conduct.



**JOANNA LUBERADZKA-GRUCA**  
Vice-President of the Board, Przyjaciółka Foundation

“Corporate foundations function at the meeting point of business and non-governmental organizations, which is why transparency of operations and high standards play a particularly important role. In my opinion, the role of corporate foundations consists in contributing to solving social problems and supporting locally active organizations and people. From my perspective, the most important message is conveyed in the standard of accountability, disclosure, transparency and compliance. All standards are crucial, yet I think that selection of support areas deserves particular attention of each corporate foundation, as it should respond to real needs and be preceded by a thorough analysis.

---

# I. Mission Statement and Strategic Goals

---

**STANDARD** Corporate foundations shall operate in accordance with their mission statements developed by the founder and the foundation. Both the founder and the foundation will decide on the extent to which the mission of the foundation will be linked to the mission of the founding corporation. Mission statements shall be made in writing and shall be disclosed to the public. Mission statements shall be reviewed and revised from time to time, as appropriate.

All actions taken by corporate foundations shall seek to accomplish their strategic goals that will be defined in accordance with their missions. The process of defining and approving strategic goals shall be provided for in governance clauses of by-laws adopted by each corporate foundation. Strategic goals shall be publicly disclosed, evaluated and updated, as appropriate.

Corporate foundations shall truly act upon their missions, not just state them.

---

## VERIFYING QUESTIONS:

- 1 Does the foundation have a written mission statement which is publically available online?  
PROOF: link to website
- 2 Does the foundation have a written strategy document for a given period of time?  
PROOF: strategy document
- 3 Are strategic goals of the foundation publically available online?  
PROOF: link to website
- 4 Are strategic goals of the foundation evaluated?  
PROOF: results of evaluation
- 5 Does the foundation pursue its strategic goals?  
PROOF: annual report on the foundation's activities

## GOOD EXAMPLES

### Orange Foundation

The Orange Foundation was established in 2005 by Orange Polska S.A. The founder's intention was to professionalize social activities and separate them from business. The foundation was supposed to facilitate – in a professional and transparent manner – the conduct of educational projects using modern technologies. This was among others a reply to the lack of similar initiatives in Poland, as the founder noticed the potential of applying technologies as a creative and interactive tool of education, which would contribute to social development in the

longer perspective. Basing the foundation's mission and its activities on modern technologies, including for instance the Internet, made it possible to effectively use the founder's resources and know-how. Goals of the foundation were defined in the bylaws available at [www.fundacja.orange.pl](http://www.fundacja.orange.pl); they include e.g. developing information society, supporting science, education, culture, arts, acting to the benefit of children and young people.

The foundation addresses its programmes to children and young people, as well as local communities, encouraging them to social and cultural engagement, and it initiates programmes for developing knowledge and modern education. Its goals are pursued within the framework of such programmes as for instance "Akademia Orange" ("Orange Academy") (a grant programme for non-governmental organizations carrying out modern educational projects), "Pracownie Orange" ("Orange Studios") (support for local communities, assistance in setting up integration and education centres using modern technologies), "Orange dla Bibliotek" ("Orange for Libraries") (technology and know-how support for libraries, assisting them in transformation into modern centres of knowledge and culture).

### PwC Foundation

The PwC Foundation was established in 2005. It is an employee foundation. Its mission is systemic and innovative solving of important social problems, and therefore it combines various forms of support for organizations and social leaders. The PwC Foundation builds and develops social engagement programmes, which match the knowledge and skills of PwC's employees with the needs of non-governmental organizations and social companies.

The mission of the foundation, and thus its activities, has evolved during the last 10 years. Before the foundation was established, employees had undertaken a range of philanthropic and voluntary activities. In 2005, on their initiative the decision was taken to systematize social engagement activities and to set up a foundation that would carry them out. As a result of internal consultations, the foundation focused its actions on preventing social exclusion. After several years, as the area of responsible business developed and as a result of dialogue and need analysis of social organizations, the mission of the PwC Foundation was reformulated. Currently, it focuses its operations on providing strategic support to non-governmental organizations and their leaders. The Foundation's mission and goals are contained in the bylaws. They constitute part of the founder's responsible business strategy.

### PRACTICAL ADVICE

— The most important element is the initial decision about the aim of setting up a foundation and a discussion that will lead to answering the question about social goals and actions that the foundation should pursue. The founder should define the foundation's main goals, and subsequently entrust its management with the task of defining its mission, strategy and operational aims. It is vital that the foundation's mission should be agreed through consultations with the founder and based on a thorough analysis of social needs and the foundation's resources.

— Strategic link between the foundation's mission and the founder's area of activity makes it possible to use the latter's know-how (e.g. through volunteering competences, use of the founder's technologies and infrastructure).

— When defining the foundation's goals it needs to be remembered that a corporate foundation is not a marketing tool of the company, but an organization which helps it attain its goals in the sphere of social engagement.

— It is crucial to inform the society about the organization's mission and its strategic goals, e.g. through the foundation's website.

— The foundation's strategic goals should be subject to evaluation through consultations with the foundation's team and its direct as well as more indirect surroundings (e.g. by gathering opinions of the founder's employees and external stakeholders).

— Evaluation of strategic goals should be carried out on regular basis, e.g. by including it in the evaluation cycle of ongoing activities (see the standard "Evaluation").

— Verification of the mission statement helps assess its appropriateness in a given social situation. Once in a while it is worth taking a closer look at your foundation's mission and modifying it if needed.

First Meeting of the Project Participants,  
December 11, 2012



## II. Selection of Support Areas

**STANDARD** Areas of support shall be selected on the basis of needs assessment, internally available resources and skills and the review of the work of other organisations active in a particular area. While planning their activities, corporate foundations shall be guided by the results of needs assessments and social studies. They shall use the available third party data, existing internal information and/or shall contract external studies. Reasons for selecting specific areas of support will be disclosed to all interested parties.

### VERIFYING QUESTIONS:

- **1** Does the foundation clearly define the areas it supports and does it make this information publically available online?  
PROOF: link to website
- **2** Did the foundation conduct a need analysis prior to selection of support areas?  
PROOF: document with diagnosis results
- **3** Did the foundation conduct a reconnaissance among entities active in given fields prior to selection of support areas?  
PROOF: document with reconnaissance results
- **4** Does the foundation publically justify selection of its support areas?  
PROOF: link to website

### GOOD EXAMPLES

#### — MSD dla Zdrowia Kobiet Foundation

The MSD dla Zdrowia Kobiet Foundation was established in 2009. The organization's mission is to raise health awareness of Polish women and their families and initiate systemic changes aimed at improving the quality of healthcare for women.

The foundation uses own research or existing studies in order to select the support areas and plan its projects. Acting in the sphere of health, it uses statistical data, social research, studies on the population's health and other documents prepared by competent and adequate entities (e.g. administration, non-governmental organization, research institutes).

In 2013, the report "Polki 2013 – zdrowie i jego zagrożenia" ("Polish women 2013 – health and threats to it") was created on the foundation's initiative. The publication was prepared in cooperation with the National Institute of Public Health

– National Institute of Hygiene. Expert knowledge from the field of epidemiology, sociology, medicine and public health was used to diagnose the health of Polish women. The study contains recommendations of actions to be undertaken in order to improve the health of Polish women. Data and recommendations from the report are continuously used by the foundation as a basis for prophylaxis and pro-health programmes and campaigns, such as e.g. "Vital Forum" – a debate on the health of Polish women, and the "Witalna Polka" ("Vital Polish woman") campaign.

#### — Góraźdże – Aktywni w Regionie Foundation

The GÓRAŹDŹE – Aktywni w Regionie Foundation was established in 2012. The mission and scope of its activities are closely linked to the needs of the region where the founder operates. Therefore, the selection of support areas is made based on an ongoing analysis of the current situation in the Opole Province. The support pertains to such fields as for instance education, environmental protection, protection and promotion of health and physical activity, culture and arts. The foundation engages the founder's employees in its activities, using the former's and own resources and competences (volunteering). The mission, strategic goals and information about support areas are available on the foundation's website ([www.aktywniwregionie.pl](http://www.aktywniwregionie.pl)).

Planning of the foundation's operations, including design of concrete assistance programmes is preceded by an analysis of data, own research (e.g. field work), assessment of previous activities of other entities carried out in that area and in that region. For instance, in 2014 the foundation initiated the "Pokolenie Plus" ("Generation Plus") programme, dedicated to activation of persons aged 60+ living in rural areas in the Opole Province. Analysis of data from the region showed growing depopulation and rapid ageing of the population in that area. Preparation of the programme was preceded by a series of meetings with beneficiaries, during which it was agreed that above all they need integration and knowledge on healthy lifestyle, safety and computer literacy. At the stage of preparation, the foundation made use of support of experts from the



Seminar "Effective Cooperation and Communication with Stakeholders", June 5, 2014



**AGNIESZKA PALKA**  
Project Coordinator,  
EY Foundation

” Apart from achieving business goals, corporations more and more often engage in pursuing social aims. In the name of commonly accepted values or for public benefit, they establish charitable foundations, mostly awarding grants. The Donors Forum’s project created a platform to share knowledge from the field of organization management, effective support and self-assessment of procedures. Thanks to the project it was possible to clearly define the aim of corporate foundations’ functioning and the path of self-improvement without any compromise regarding the principles of transparency, disclosure and accountability.

Wspomaganie Wsi Foundation. The result was a programme of trainings and animated meetings for seniors, participated by 130 people, and Generation Plus Clubs.

### **PRACTICAL ADVICE**

— Planning activities based on need diagnosis is the basis for correct selection of support areas. The foundation must always know why it undertakes a certain action in order to be able to set correct goals and subsequently be able to verify what changed thanks to its engagement.

Correct selection of the foundation’s area of activity, preceded by a diagnosis, is also the first step to building its trustworthiness in the eyes of stakeholders.

— Prior to deciding about its support areas, the foundation should analyse existing data; depending on the context, statistical data, studies and analyses, forecasts and previous activities of other entities carried out in that area (e.g. administration, non-governmental organizations) can be useful.

— Need diagnosis should take place both at the initial stage of the foundation’s engagement in a given area, as well as on the level of individual programmes’ aims. If the foundation awards grants to other organizations, it should require a need diagnosis also from them.

— Commissioning own studies is a good practice. Moreover, it is worth making their results publically available, as they can be valuable guidance for other entities operating in that area.

— Conducting own analyses and studies is not necessarily costly, since often desk research or interviews with key stakeholders (or experts from a given field) suffice to gather information necessary for the diagnosis.

— The basis for good diagnosis is a discussion of experts, practitioners and beneficiaries, presenting and confronting different opinions. Comprehensive research makes it possible to take a rational decision about investing the foundation’s means in a manner leading to a real change.

# III. Relations with Beneficiaries

---

**STANDARD** Corporate foundations' beneficiaries include non-governmental organisations, public institutions, informal groups, private individuals and other parties that directly or indirectly receive financial and non-financial support from corporate foundations.

The selection of individuals and organisations to be eligible for support will be guided by each individual corporate foundation's mission and strategy. Relations with beneficiaries shall be based on principles of equal opportunities, openness, trust and integrity. This implies respect for the rights of beneficiaries to protect their privacy, image and copyright to creative work developed in the course of supported projects. Corporate foundations shall respect their beneficiaries' sovereignty and will interact with them as with partners. They will demonstrate commitment to helping beneficiaries grow and develop sustainable mechanisms to cope with their own problems or issues identified in their community.

The quality of relationships with beneficiaries will be seen as a valuable resource to be recognised by corporate foundations while planning and implementing support measures.

---

## VERIFYING QUESTIONS:

- **1** Does the foundation provide information online about who its beneficiaries are?  
PROOF: link to website
- **2** Do rules of providing support or agreements with beneficiaries entail provisions guaranteeing protection of beneficiaries' copyright?  
PROOF: link to appropriate provision in the rules or model agreement
- **3** Do rules of providing support or agreements with beneficiaries entail provisions guaranteeing protection of individuals' images?  
PROOF: link to appropriate provision in the rules or model agreement
- **4** Does the foundation conclude written support agreements with its beneficiaries?  
PROOF: model agreement
- **5** Does the foundation evaluate its relations with beneficiaries?  
PROOF: evaluation report

## GOOD EXAMPLES

### — PZU Foundation

The PZU Foundation has been operating since 2004. Its mission is promotion and support of innovative educational initiatives, support of young talents and ensuring equal chances for people in difficult situation, in particular increasing access to culture and social life. The foundation's beneficiaries include non-governmental organizations, public institutions and individuals.

The foundation treats its beneficiaries like partners; it tries to continuously react to their needs and suggestions and makes sure that the cooperation benefits both parties. For instance, if a non-governmental organization which received a grant for a project presents a justified need to change its formula, the PZU Foundation not only allows for such a change, but also provides support in that matter. Moreover, it develops competences of the organizations it supports, for instance through preparation of professional trainings prior to implementation of projects receiving financing from the foundation within grant programmes. For organizations, such trainings constitute a chance to expand their knowledge and network, which in the long run strengthens their independence. Evaluation of the foundation's operations has shown that 64% of beneficiaries of its grant programmes are of the opinion that thanks to cooperation with the PZU Foundation their organization got more experience in project work, and in the opinion of 26% of them employees of grantees acquired new competences.

### — BGŻ Foundation

BGŻ Foundation was established in 2006. It supports development of local communities, above all young and talented people stemming from them. The organization's flagship project is a scholarship programme "Klasa BGŻ" ("Class of BGŻ") (carried out by the BGŻ bank since 2003), aiming at opening the path to renowned high schools for graduates of secondary schools in difficult financial situation, living in rural areas or in small towns.

The foundation guarantees transparent communication to its beneficiaries. The website [www.fundacja.bgz.pl](http://www.fundacja.bgz.pl) presents detailed guidelines for candidates, information about the application procedure, a convenient online application system, detailed rules of the programme, including information about the criteria for granting scholarships and the foundation's contact data.

To facilitate the start for new programme participants, the foundation organizes a 10-day integration camp with English language classes for students from all partner schools. It supports its charges in key moments of their education, e.g. by organizing meetings of studying alumni with final year high school students participating in the programme during which they can learn more e.g. about how to begin their studies, how to find a flat, job. The foundation requires that its beneficiaries show progress in education and remain socially active during the programme and monitors their scientific achievements. In this way, it aims at making the beneficiaries independent, encourages them to develop and to help others. The foundation builds relations with its scholarship recipients during and after completion of the cooperation, and takes care of integration of current and former project participants. In 2008, graduates set up the BGŻ Class Graduates' Society to help others, and they willingly share their experience with younger project participants. The Foundation supports the society in its activities.

### PRACTICAL ADVICE

— In line with the principle of partnership, the foundation should ask its beneficiaries for feedback and take it into consideration when modifying the programmes and projects. Questions can be asked in surveys or interviews, or included in report forms for grantees. Asking beneficiaries for feedback is a manifestation of the foundation's partner-like attitude, which strengthens mutual relations and builds trust in the organization.

— Striving at making beneficiaries independent can take various forms depending on the situation. The aim of it is to assist them in developing own competences, and thus in strengthening their potential. For instance, in the case of cooperation with non-governmental organizations sharing knowledge about effective methods of finance management and encouraging them to develop skills of acquiring means from various sources can be a good practice.

— Another good practice consists in organizing meetings, trainings or workshops for organizations which were awarded grants from the foundation. Familiarizing them with rules of monitoring and reporting during a meeting or a workshop will help avoid unnecessary questions. Additional benefit stemming from such activities is strengthening competences and integration of



**AGNIESZKA GAJEK**  
Head, BGK Foundation

” We joined the project of creating corporate foundations' standards since we care about exchanging experiences and good practices, we wish to increase the efficiency of our activities and build credibility. Topics of particular importance for us include principles of good grant awarding building relations with beneficiaries and evaluation and measurement of social effects of our work. The workshops and discussions during meetings were very inspiring, we learnt a lot from each other.

grantees, which may lead to exchange of experiences and cooperation among them.

— Obligations of a foundation supporting individuals include protection of the rights of people to whom support is provided: the right to privacy, image protection and respect for human dignity. Training foundation's employees in legal aspects of the above mentioned issues is a good practice.

— In their external communication, foundations should care for anonymity of their individual beneficiaries; their photos or names should not be used. Individual stories can be told without disclosing private data of beneficiaries, without pointing to specific people.

— If a foundation wishes to use creative works of its beneficiaries (e.g. drawings of its charges), it should first ask their authors to transfer the copyright to the foundation.

## IV. Support Policy and Procedures

---

**STANDARD** Corporate foundations shall operate in line with their agreed support policies and procedures.

The support policies will follow the foundations' missions and strategies and they will define long-term programmes designed to meet the needs of their beneficiaries and solve the problems which have been identified in the social, economic and public spheres. They will generally define who will receive support, in what form, why and under what conditions.

The procedures will describe the detailed terms and conditions of granting support. They will clearly communicate these terms and conditions to stakeholders and contribute to improve efficiency of the support process.

The procedures will define such terms and conditions of support as:

- > Form and amount of support;
- > Eligible beneficiaries;
- > Conditions that must be met by beneficiaries;
- > Application process;
- > Award criteria;
- > Award process;
- > Communication with applicants.

The procedures will also outline the process of disclosing information about the awarded support, terms and conditions of the interaction between the corporate foundation and the beneficiary within the time of the support, reporting and monitoring methodology and the inspection and monitoring of the supported projects. Corporate foundations shall define conflict of interest prevention mechanisms designed to ensure impartiality of award decisions.

The procedures must be adequate and proportionate to the size and nature of support provided by corporate foundations. Corporate foundations shall avoid excessive formalities, wherever possible. They shall be guided by the values derived from their missions and general codes of conduct through the entire process of providing support to their beneficiaries.

Support policies and procedures must be written down and publicly disclosed in a clear and accessible manner.

---

### VERIFYING QUESTIONS:

- 1 Does the foundation have an adopted and written support policy?  
PROOF: support policy document / link to website
- 2 Does the foundation have adopted procedures for granting support which are available online (e.g. rules)?  
PROOF: link to website
- 3 Do support procedures define the form of support?  
PROOF: appropriate provisions in the rules / description of procedure
- 4 Do support procedures define the types of entities eligible for support?  
PROOF: appropriate provisions in the rules / description of procedure
- 5 Do support procedures define the manner of applying for support?  
PROOF: appropriate provisions in the rules / description of procedure / application form on the website
- 6 Do support procedures define the criteria for deciding about granting support?  
PROOF: appropriate provisions in the rules / description of procedure
- 7 Do support procedures specify the deadline for deciding about applications?  
PROOF: appropriate provisions in the rules / description of procedure
- 8 Do support procedures define the conditions of reporting on the support received from the foundation?  
PROOF: appropriate provisions in the rules / description of procedure / report form
- 9 Does the foundation have a procedure for preventing conflict of interest?  
PROOF: appropriate provisions in the rules / description of procedure
- 10 Does the foundation publically inform about its beneficiaries (list of beneficiaries / grantees)?  
PROOF: link to website

## GOOD EXAMPLES

### — "Dbam o Zdrowie" Foundation ("I Care for My Health" Foundation)

The "I Care for My Health" Foundation has been operating since 2007. Its aim is to prevent barriers in access to medicines in Poland. In this field, the foundation cooperates with a broad spectrum of partners, and it is open towards joint undertakings with non-governmental organizations, business, administration.

One of the foundation's key projects currently in the Grant Contest "Razem Możemy Więcej!" ("Together We Can Do More!"), addressed to organizations from healthcare and social care sector. The aim of the contest is to support organizations whose activities will contribute to levelling out barriers in access to medicines, thus continuing the idea promoted by the foundation under the "Podaruj Zdrowie" ("Give Health as a Gift") programme. Contest procedure encompasses several stages: the foundation receives applications, which are then assessed by its employees (according to criteria in the programme rules, available on the foundation's website) and verified in terms of their content by the Contest Commission. The Commission is composed of independent experts: specialists from various fields such as medicine, pharmacy, law, social care, as well as volunteering and audit. Moreover, the Commission's works are participated by a member of the Foundation's Council. Results of the contest and list of grantees are published on the foundation's website.

Projects receiving grants from the foundation are carried out for one year; it is possible to continue them in subsequent editions of the contest. It is worth emphasizing that the total grant budget is transferred to end beneficiaries as specific financial support allocated for continuation or starting of comprehensive pharmacological therapy.

### — Przyjaciółka Foundation

Przyjaciółka Foundation was established in 2000 by the publishing house Edipresse. It supports individuals: ill children and children with disabilities as well as children from orphanages, community day-care centres, foster families and family children's homes, and other non-governmental organizations.

Those interested in receiving help can apply for support solely via the online form at [www.fundacja.przyjaciolka.pl](http://www.fundacja.przyjaciolka.pl) (in justified cases on that stage the foundation can accept documents sent by regular mail). In this way, the foundation obtains legible information with unified form and content. This method of applying is also convenient for beneficiaries, as the foundation wishes to make the application procedure beneficiary-friendly, without requiring them to send many documents. Applicants of the grant contest can use a video-app.

Persons visiting the foundation's website can easily find information on how to apply for support. Detailed description of financing rules, criteria and mode of decision-making are provided in the "Szukam pomocy" ("I seek help") tab. Beneficiaries find it useful that the menu is divided into groups: ill children and children with disabilities, foster families, day-care centres, scholarship recipients and orphanages separately.



**GABRIELA KWESTARZ-BICZYSKO**

Coordinator of Social Projects, "I Care for My Health" Foundation

” Participation in the Polish Donors Forum's project and work on the standards was for us a uniquely valuable and pleasant experience. We have known for a long time that the key to success lies in building positive relations: with beneficiaries, with the founder, with other organizations or local communities. Yet it was only during the work on the standards that our knowledge was verified, and we were given an impulse to improve our operations in this field. In our most important project, a grant contest, we started to pay more attention to transparency of procedures and methods of application assessment. We also reviewed our previous activities, rules and communication tools, which brought us many improvements and a new quality of relations with our surroundings.

### — TVN Foundation "you are not alone"

The TVN Foundation was established in 2001. It helps individuals in particularly difficult life or health situation through financing of treatment, rehabilitation, purchase of necessary medical and rehabilitation equipment. Furthermore, it supports hospitals and other medical centres. The foundation has clear procedures of granting support, which are openly communicated at [www.fundacja.tvn.pl](http://www.fundacja.tvn.pl). Thanks to guidelines provided on the website, persons interested in receiving help can easily find information about the procedure, including: criteria for granting help, mode of communication with beneficiaries, required documents. Procedures and mode of support are precisely described in the Rules available on the foundation's website. It is a single document with all necessary information. Moreover, the Rules clearly specify who and in what manner is not supported by the foundation. The foundation accepts applications solely in the written form. Each request is read and analyzed by documentalists – specially prepared foundation employees who verify whether a given service or medicine is not already provided by the National Health Fund. Subsequently, a short summary of financial or health situation of the applicant is prepared and on that basis the Board takes preliminary decision on granting

support. The applicant receives information about the decision, irrespective of whether it is positive or negative. If it is a positive decision, in the second stage the foundation asks for sending the application on a special application form accompanied by necessary documents confirming the applicant's situation. Foundation employees do not contact beneficiaries directly, and the means granted are not transferred to the latter's accounts, but to pharmacies or shops with medical equipment. The foundation controls the manner of spending the means on ongoing basis: employees verify the invoices and intervene in the case of irregularities.

### PRACTICAL ADVICE

— Comprehensible and open rules of granting support and internal decision-making procedures of the foundation help to increase effectiveness of grant awarding or support for individuals: the better described the rules and criteria of granting support, the more well-matched applications are sent to the foundation.

— The foundation should pay particular attention to the form of communicating support procedures; clear and easy to navigate website, with quick access to rules and other key documents is the basis for reliable communication with beneficiaries. Moreover, the website can be adapted to the needs of people with disabilities.

The foundation should also analyse whether all of its beneficiaries can use the Internet without any obstacles, and if needed approve of other forms of contact.

— Publishing a list of grants awarded to organizations on the website increases transparency of the foundation's operations.

— Informing beneficiaries immediately whether they will receive feedback (justification) in the case of refusal of support is a good practice.

— In the case of grant programmes it is worth introducing a two-stage application procedure: in the first stage, short letters of intent or simplified applications can be accepted, and only those who qualify after the initial selection can be invited to submit a full application. Such a practice saves time both to the applicants and to people running the grant programme.

— In order to avoid unnecessary bureaucracy, it is possible to resign from requiring the applicants to submit such documents as bylaws of the organization, reports or an excerpt from the National Court Register at the stage of application. All these documents can be attached to the grant agreement, if the application receives a positive decision. Moreover, only electronic versions of documents should be sufficient, in particular in the case of excerpts from the National Court Register, which are available online.

Second Meeting of the Project Participants,  
February 12, 2015



During the work on the standards our knowledge was verified and we were given an impulse  
**to improve  
our grant-making  
operations.**

# V. Funding

---

**STANDARD** It is essential that the founder's contribution should be the main and dominant source of funding for the corporate foundation. By establishing a corporate foundation, the founder takes upon itself the responsibility to secure adequate resources to support its operation in line with its goals and objectives.

When seeking funding elsewhere, corporate foundations ought to review the legality of such other sources of funding, assess any conflict of interest risks and they should consider their core values; they should also, in the context of how it may affect the founder's image, consider issues of competing for limited resources against organisations which have a weaker position and potential to fund their operations.

Corporate foundations ought to exercise utmost care and prudence while seeking to obtain public funding such as central and local government grants, structural funds and revenues from the 1% charitable personal income tax deduction mechanism.

Corporate foundations shall diligently account for all the received funding and they shall publish financial statements.

---

## VERIFYING QUESTIONS:

- 1 Does the founder ensure financial means or other resources to achieve the foundation's goals?  
PROOF: foundation's financial statement / agreement between the founder and the foundation
- 2 Are the financial means or other resources from the founder the main source of the foundation's income?  
PROOF: foundation's financial statement
- 3 Does the foundation have internal regulations concerning the use of public funds?  
PROOF: document describing the regulations
- 4 Does the foundation have procedures for controlling legality of acquired funds?  
PROOF: document describing the procedures
- 5 Does the foundation present all sources of its income in the financial statement?  
PROOF: foundation's financial statement with details about sources of income
- 6 Does the foundation make its financial statements available online?  
PROOF: link to website with the foundation's financial statement

## GOOD EXAMPLES

### — BGK Foundation

The J.K. Steczkowski BGK Foundation has for 10 years been acting towards providing equal educational chances for children and young people, building social capital and popularizing the idea of volunteering.

The foundation's sole founder is Bank Gospodarstwa Krajowego, which, being a state bank for social and economic development, chose the model of corporate foundation as one of effective ways to support development of local communities. Each year, the Board of the foundation, based on multiannual strategic goals, prepares a financial plan for the next year, which is then approved by the Foundation's Council. Subsequently, the Board presents the plan to the founder and petitions for a donation. The foundation presents annual report of its activities and information about execution of the financial plan to the founder.

Interest on bank deposits constitutes the foundation's financial income. The sums cover the cost of statutory activities, in particular of administration.

### — Tesco's Children Foundation

The Tesco's Children Foundation has been operating since 2012, supporting children and young people in the area of education, social assistance and promotion and protection of health. The organization's sources of income encompass donations from its founder (70%) and means from the founder's employees, business partners and customers (12%), as well as public collections (18%). The foundation's activities are financed i.a. from the initial fund (120 000 PLN) and donations from the founder, e.g. from profits generated on the sale of plastic bags in Tesco markets (the mechanism guarantees stability of income).

The foundation purposefully does not use governmental subsidies and does not apply for EU grants. Despite the fact that it enjoys the status of Public Benefit Organization (since 2014), and is entitled to receive donations from the 1% charitable personal income tax deduction mechanism, it addresses its campaign mostly to employees and customers of the founder, and the means gathered in such a way are used to support family children's homes.

The foundation diligently accounts for all acquired means. Annual financial statements, reports on activities and information about sources of the foundation's finance are available at [www.fundacjatesco.pl](http://www.fundacjatesco.pl). Settlements of collections are published on the foundation's website and in Polish dailies.

### — EY Foundation

The EY Foundation (formerly: Ernst & Young Foundation) was established in 2002. It supports the development of foster parenting in Poland through various forms of assistance: financial, material, educational, psychological and through promotion of foster parenting. The organization is financed mostly from donations from the founder's employees (approx. 70% of funds); it organizes internal collections of goods and money and occasionally receives donations from other entities. It is a typical employee foundation. It obtains 1% of PIT from the founder's employees, and sometimes from their families and friends as well. It does not communicate its fundraising activity externally, i.e. it does not run any external campaigns aimed at collecting funds from persons from outside of the company. Information about collections is provided to employees during trainings and internally e.g. via email.

Annual financial statements are available on the foundation's website ([www.ey.com/PL/pl/About-us/Corporate-Responsibility/Fundacja](http://www.ey.com/PL/pl/About-us/Corporate-Responsibility/Fundacja)). Employees receive feedback about collected amounts and the manner of their spending.

Workshop "Corporate Foundation's Employees and Volunteers", March 7, 2014



**DR. EKKEHARD WINTER**  
Executive Director  
Deutsche Telekom  
Foundation, Germany

” I congratulate Polish Donors Forum on the Corporate Foundation Standards. It was a pleasure to participate in one of the project seminars and I was impressed by the great care the Forum has shown in harvesting the results of the discussions. The standards, notably those on funding, on relations with the founder and on governance, could even serve as a model for the corporate foundation sector in other countries.

## PRACTICAL ADVICE

— In order to be able to plan and implement their actions, corporate foundations should have a defined source of financing. Founder's support is best regulated through an agreement between the company and the foundation or a resolution of the founder's managing board.

— The company can transfer financial donations to the foundation annually or once for several years.

— Financial support from the founder does not solely mean classical donations; foundations can avail themselves of a range of tools engaging the founder's employees and customers (e.g. payroll – voluntary deductions from remuneration of the founder's employees for the foundation; CRM – social marketing, i.e. allocating a set percentage from sales of a product or service to the foundation).

— Another good practice is striving to manage own endowment generating means for the foundation's statutory activities. Such a source of financing strengthens the foundation's stability and independence.

— Corporate foundations can enjoy the status of public benefit organizations. It needs to be remembered, however, that applying for the 1% charitable personal income tax deduction mechanism by foundations established by companies is often perceived by the public as competing against small, local non-governmental organizations. Therefore, the 1% can be gained from the closest stakeholders of the foundation, such as employees or volunteers of the foundation.

# VI. Finance Management

---

**STANDARD** The executive team and the board shall be responsible for financial management in a corporate foundation. The details of how the two bodies share that responsibility shall be outlined in the bylaws and internal regulations. Financial decisions shall be made in accordance with the agreed procedures and shall always involve the individuals who are accountable for them to stakeholders and to regulators.

Finance management in corporate foundations must observe the following principles:

- > Financial planning must always include an annual budget, project budgets (if any) and a cash flow projection;
  - > Financial performance must be regularly monitored;
  - > Cash flow projections will inform decisions to secure solvency; corporate foundations will ensure timely payment of its obligations and collection of receivables;
  - > Cost management must observe the principle of cost efficiency, i.e. funds will be used responsibly and the purchasing policy will be solely based on cost efficiency, environmental performance and social outcomes;
  - > Corporate foundations shall faithfully disclose their actual expenditures including the overhead cost;
  - > Similarly, they will document and faithfully present their revenues, including the revenues from the any in-kind contributions of their founders;
  - > Corporate foundations shall publish their financial statements and reports outlining the support they have provided;
  - > The executive team shall actively collaborate with the internal accountants, shall make informed decisions about the accounting policies and practices adopted by the corporate foundation and shall secure an environment to facilitate sound bookkeeping;
  - > The executive team shall regularly review the financial performance information and reports; expenditures made by the beneficiaries will also be reviewed and evaluated;
  - > Upon accepting and/or approving annual financial statements, the executive team and the board shall be fully aware of the foundation's financial performance;
  - > Free cash may be securely invested in accordance with the agreed investment policy. The executive team shall seek professional advice while making investment decisions;
  - > Corporate foundations shall monitor compliance of their financial management through their internal audit function, board oversight and external audits.
- 

## VERIFYING QUESTIONS:

- 1 Does the foundation have rules / provisions in its by-laws / a document specifying the division of responsibilities for finance management between the board and the supervisory body?  
PROOF: document
- 2 Does the foundation have a financial plan (annual)?  
PROOF: document
- 3 Does the board of the foundation verify budget execution (costs / income) at least quarterly?  
PROOF: exemplary report from verification / report from budget execution
- 4 Does the foundation present administrative costs of its operations?  
PROOF: item "administrative costs" in the financial statement
- 5 Are internal or external audits of correct finance management carried out?  
PROOF: audit report

Provide answer if the foundation has so called free funds:

- **6** Does the foundation have an investment policy for free funds based on safe ways of investing?  
**PROOF:** investment policy document with appropriate provisions

Provide answer if the foundation grants financial support to legal or natural persons:

- **7** Does the foundation monitor and assess the manner of spending the means by beneficiaries?  
**PROOF:** appropriate provision in the regulations / description of support granting procedure

### GOOD EXAMPLE

#### — The Kronenberg Foundation at Citi Handlowy

The Kronenberg Foundation at Citi Handlowy was established in 1996 and is one of the oldest and most renowned corporate foundations in Poland. Its activities encompass three areas: financial education and entrepreneurship, employee volunteering and protection of cultural heritage. Moreover, the foundation runs a grant programme for non-profit organizations.

Funds for programme activities are ensured by Bank Handlowy in Warsaw (founder) and the Citi Foundation. Finance management is carried out according to highest standards of transparency. Their guarantee are clearly defined roles and rights of foundation employees dealing with financial matters. President of the Board is responsible for managing funds, programme director and coordinator for administrative matters are authorized by the Board to conduct ongoing operational activities. Additionally, the foundation is supported by external professionals: an accounting office and asset management company.

Quality and correctness of finance management is monitored on ongoing basis by auditing and advisory bodies. Audit Committee supervises congruence of the foundation's activities with its statutory goals and accounting principles. Moreover, it controls the execution of the budget plan adopted for a given year by the Board and the foundation's office and checks the results of audits of grant use conducted by controller of project's finance and content. Each year, the foundation's activities are subject to assessment by an independent external auditing company. Additionally, within the field of investment consulting, the foundation is supported by the Investment Committee, a body composed of experts (bank employees) who evaluate the foundation's investment policy and strategy twice a year.

Every year the foundation applies for financing of its activities to the founder – Bank Handlowy in Warsaw. For that purpose, it presents to the bank's Board its financial statement audited by an external auditor and the Audit Committee, as well as an action plan previously approved by the Foundation's Council. The foundation's Board, assisted by programme director and coordinator for administrative matters, is responsible for drafting both documents. They are approved by the bank's Board and on that basis the foundation receives specific sums for its activities.

Furthermore, the foundation is also financed by the Citi Foundation. The process of applying for funds consists in preparing applications with detailed description of the aims, recipients and rules of using the means granted. Documents are prepared by coordinators of individual programmes in cooperation with programme director. Everything is later approved by the president of the foundation's Board.

### PRACTICAL ADVICE

— Foundations' financial statements should be public, and the best solution is to publish them online on the foundation's website. The foundation should keep the website up to date in terms of current statements and legibility of documents so that stakeholders could familiarize themselves with current data about the organization's activities. Transparency is an important element of building trust in the foundation.

— The foundation can use support of the founder's employees in the form of their know-how in finance management, e.g. by cooperating with finance directors, accountants, auditors. Such support, in particular if provided regularly, should be priced and booked accordingly, and presented in the financial statement.

— In its financial statement, the foundation should list all donations from the founder, as well as donations in-kind in the form of infrastructure: borrowed or rented office space.



**IZABELA RAKUĆ-KOCHANIAK**  
 Office Head, PZU Foundation

” Corporate foundations standards are a very important element guaranteeing above all transparency of grant awarding procedures. But that is not everything. They regulate many other aspects, such as for instance financial settlements or relations between the foundation and its founder. Foundations standards make it possible to create and popularize model solutions, as well as identify directions of development for the foundations.

# VII. Relations with the Founder

---

**STANDARD** The relations between corporate foundations and their founders ought to be based on partnership, collaboration and open communication. Corporate foundations shall regularly report on their activities to their founders.

Corporate foundations shall seek to obtain sustainable and scheduled support from their founders, including financial and in-kind contributions and the transfer of know-how and other corporate resources.

No corporate foundation shall directly support the business of its founder.

---

## VERIFYING QUESTIONS:

- 1 Does the foundation receive permanent financial or in-kind support from its founder, or use the founder's know-how?  
PROOF: financial statement and content report of the foundation
- 2 Does the foundation systematically (at least once a year) inform the founder in writing about its activities?  
PROOF: report/statement on activities transferred to the founder / internal documents
- 3 Does the foundation have internal regulations preventing direct support of the founder's business activity?  
PROOF: document describing the regulations
- 4 Does the foundation provide information online about its founder?  
PROOF: link to website

## GOOD EXAMPLE

### — NUTRICIA Foundation

The NUTRICIA Foundation was established in 1996. Its mission is to protect, promote and ensure health through good nutrition. The organization's activities focus on three areas: scientific research in human nutrition, education concerning nutrition and partnership for social change in the field of nutrition.

The foundation functions within the structures of its founder, who makes its infrastructure and know-how available to it. The foundation's office is located in the founder's seat, as the foundation rents it from the founder based on an appropriate contract, and presents the cost of rent in its financial statement. The founder and the foundation operate in partnership, they support each other and take mutual care of their images, at the same time separating the foundation's activities from the business activities of its founder. As part of its support for non-governmental organizations (donations in-kind), the foundation does not provide the founder's products, nor promotes them in any way, which was emphasized in the information for those applying for assistance at [www.fundacjanutricia.pl](http://www.fundacjanutricia.pl). When financing scientific grants, the foundation does not require that the research should entail application of the founder's products.

In 2005, Nutricia Polska Sp. z o.o. undertook to support the foundation's statutory activities by concluding an appropriate cooperation agreement with the NUTRICIA Foundation. The agreement foresees provision of funds by the company to the Foundation in the form of repeatable donations, after the Foundation submits a request for means to be spent in line with its statutory goals.

The Foundation's strategy and activities are discussed with the founder and included in the founder's strategy. The founder supports the foundation financially on permanent and planned basis, guaranteeing 100% of means for its activities.

## PRACTICAL ADVICE

— Setting up of a foundation should result from the founder's conscious decision about long term social engagement.

— The foundation cannot promote the founder's products or services, nor pursue the founder's business goals in any other manner. The foundation's activities can indirectly contribute to improving the founder's image. It cannot, however, be an aim in itself.

— Cooperation of the foundation with its founding company, apart from financial support provided by the founder, may take the form of organizational support. The foundation can use the founder's know-how, infrastructure, resources and achieve the effect of synergy in that way.

— A foundation systematically informing not only the founder but also the founder's employees about its activities can effectively source their volunteering and philanthropic support.



**AGNIESZKA DOLNA**  
Project Coordinator,  
NUTRICIA Foundation

” Participation in the project of creating standards allowed us to look at our own foundation from a slightly different perspective and assess its functioning more objectively. Implementation of standards by corporate foundations can surely improve their organization, facilitate their relations both with beneficiaries as well as the founder, and consequently increase their credibility and transparency.

Workshop "Corporate Foundations and Their Founders. Foundation's Governing Bodies", December 13, 2013



# VIII. Governance

---

**STANDARD** The governance structure of any corporate foundation shall include the executive team, which is a statutory requirement, and a voluntary oversight body (board). Members of the oversight body (board) shall not formally report to executive team members. There shall be no personal relations of dependence between members of these bodies. These bodies shall be collective as a matter of principle.

Executive team and oversight body members shall be primarily selected based on their skills to guarantee that the corporate foundation will be professionally managed and developed in line with its mission and to ensure impeccable ethical conduct. The membership of the oversight body shall represent mixed skills and shall include, at least partly, individuals who are unrelated to the founder.

It is strongly recommended that members of the main governing bodies in corporate foundations serve terms as defined in the bylaws. The bylaws shall define the appointment procedure for governing bodies, terms and conditions of termination and the roles and responsibilities of the said governing bodies.

The governing bodies shall ensure mutual collaboration and communication. Their decisions and actions shall be guided by the long-term interest of the foundation.

---

## VERIFYING QUESTIONS:

- |   |   |
|---|---|
| <p>— 1 Does the foundation have a supervisory body?<br/>PROOF: information from the bylaws about the name of the body and its supervisory competences</p>                         | <p>— 6 Is there a person (persons) not related to the founder in the supervisory body?<br/>PROOF: identifying such person(s)</p>                                    |
| <p>— 2 Do the foundation bylaws contain provisions stating that members of the supervisory board do not depend administratively on board members?<br/>PROOF: bylaws</p>           | <p>— 7 Does the foundation management meet with the supervisory body at least once a year and inform it about its activities?<br/>PROOF: minutes of the meeting</p> |
| <p>— 3 Do the foundation bylaws contain provisions stating that there is no personal dependency between members of the supervisory board and board members?<br/>PROOF: bylaws</p> | <p>— 8 Does the foundation publish the composition of its bodies online?<br/>PROOF: link to website</p>   |

## GOOD EXAMPLES

### — BGK Foundation

BGK Foundation has a board composed of three people, appointed by the founder for two years. Its members are representatives of the founder: competent people with experience tailored to the entrusted function and corresponding to the foundation's mission. The function of the President of the Board is performed by a person responsible for the founder's communication department with experience in the field of corporate social responsibility and philanthropy, as well as work in a non-governmental organization. Two Board members acting jointly are authorized to represent the foundation.



Seminar "Public Trust Foundation. Transparency, Legality and Ethics of Corporate Foundations", November 27, 2014



**WADE JONES**

Treasurer & Operations Director, Medtronic Foundation, United States

” Trust is a foundational element of good philanthropy and transparency, accountability, and governance are vital in corporate philanthropy building trust. I applaud the Polish Donors Forum not only for their effort in constructing these standards, but also for the depth and breadth of their research and collaboration amongst a variety of stakeholders.

The Foundation's Council is its supervisory body. It is also appointed by the founder for three years. Members of the Council are not the founder's employees and do not depend administratively on Board members, and therefore the Council is independent. The Council is composed of people with significant scientific achievements and professional experience, experts in the field of economics, management, science, state administration and social policy.

The Board and Council members perform their functions without remuneration. The term of office, tasks, mode of appointing and manners of terminating membership in the Board and the Council are specified in the foundation's Bylaws available online ([www.fundacjabgk.pl](http://www.fundacjabgk.pl)).

— **Bank Ochrony Środowiska Foundation**

Council of the BOŚ Foundation is a collegial body composed of representatives of various fields. It supervises the foundation's activities and supports it in the pursuit of strategic goals. Its members include experts with experience in the fields related to the foundation's and the founder's area of activity, mostly linked to environmental protection and ecology. The Council is composed of: journalist, professor, representatives of the Ministry of Environment and the Polish National Council for Environmental Protection.

The President of the Council is a representative of the founder – she works as the chief ecologist at BOŚ, yet she is not a Board member of the bank. Thanks to knowledge and competences of its members, the Council performs also an advisory function in matters related to the content of projects carried out by the foundation. Recommendations of the Council play an important role in accepting the organization's action plan for a given year by the founder (the Board of the bank) and in the amount of funds needed for implementation of that plan. Scope of duties and rules of functioning of the Council are included in the foundation's Bylaws.

**PRACTICAL ADVICE**

— When forming the board, collegiality principle is particularly important. A board composed of several persons guarantees transparency and democratic character of the organization. Not all board members need to receive remuneration; they can be e.g. the founder's employees, who perform the function of board members without remuneration.

— Members of the foundation board, even if employed by the founder, must give priority to the foundation's supreme interest in their work.

— Foundation board should meet regularly (e.g. once every two months). Minutes of the meetings should be prepared and decisions should be taken in the form of resolutions.

— Persons in the foundation's council should aim at making the most effective use of their knowledge and experience for the foundation. Board members can play not only supervisory role but also provide advice on content-related matters.

— The foundation's council should meet at least once a year. Minutes of the meetings should be prepared.

— In the case of suspected irregularities in the foundation, council members should immediately demand explanations from the board, and if such intervention does not bring any effect, they should turn to the founder. Defining explanatory and preventive procedures to be used in the case of problems is a good practice.

# IX. Employees and Volunteers

## STANDARD **Employees**

To support day-to-day operations, corporate foundations should employ and adequately compensate paid staff with relevant skills. A full-time and independent team of employees helps maintain operational continuity, quality and cost transparency.

The founder's corporate employees may serve as members of corporate foundation's team. The work contributed by individuals seconded by the corporation to serve in the corporate foundation should be quantified and accounted for as revenue by the foundation, if it is a voluntary service, or as an expense, if the service is paid. All team members serving the corporate foundation, both directly employed by the foundation or seconded by the founding corporation, shall be subject to the same rules of employment, including a clear delineation of the job roles and responsibilities.

### Volunteers\*

Volunteers are individuals who in their free time voluntarily and without compensation provide their services to the foundation. An individual agreement will be signed with each volunteer defining the scope, method and timing of such voluntary service and the terms and conditions of termination. In addition, the foundations shall ensure an adequate working environment for the volunteer, it shall reimburse the expenses incurred in relation to the voluntary service and it shall provide insurance, as required under the laws and regulations.

All volunteers shall be seen as equal, irrespective of the degree to which they may be related to the founder's business. The terms and conditions of voluntary service must be transparent and documented in the form of written rules.

The foundation shall be committed to developing their own talent, both paid employees and volunteers, and it shall recognise their commitment and accomplishments.

## VERIFYING QUESTIONS

1 Does the foundation employ its own employees to run its day-to-day activities?

PROOF: payroll / inventory of agreements

2 Does every employee and volunteer of the foundation have a clearly defined scope of duties and responsibilities?

PROOF: written scopes of duties

3 Does the foundation organize trainings for members of its team / enable them to participate in external trainings?

PROOF: list of trainings which the foundation's team members participated in last year

Provide answer is the founder's employees are among the foundation's team members:

4 Is the value of work of the person (persons) delegated by the company to work in the foundation priced and included in the accounting books as income?

PROOF: accounting books

or

5 Is the value of work of the person (persons) from the founder's company providing paid services for the foundation included in the accounting books as cost?  
PROOF: accounting books

Provide answer if volunteers are among the foundation's team members:

6 Is an individual agreement concluded with each volunteer, specifying the scope, manner and period of providing service and the manner of terminating the agreement?

PROOF: inventory of agreements and model agreement

\*This standard does not cover employee voluntary programmes where employees perform services to the foundation and such services are accounted for as regular and paid working time.

## GOOD EXAMPLES

### Bank Ochrony Środowiska Foundation

The Bank Ochrony Środowiska Foundation was established in 2009 by Bank Ochrony Środowiska. Its mission is to act for protection of the environment and sustainable development. The foundation operates through social campaigns, educational programmes and related contests.

An autonomous team of six employees are employed on permanent basis to run day-to-day activities. This group is composed of the president and vice-president of the foundation, who receive remuneration for their work and perform specific functions: implement projects and programmes or supervise their implementation, are responsible for external communication and relations with the founder, prepare or verify annual plans. Additionally, the team has four coordinators, one of which is responsible for organizing employee volunteering and other activities for the founder's employees and clients. The foundation's employees have experience in managing non-governmental organizations. Description of their duties may be found at [www.fundacjabos.pl](http://www.fundacjabos.pl).

### LOTTO Million Dreams Foundation

The LOTTO Million Dreams Foundation was established in 2009. Its activities focus on the areas of sport, culture, philanthropy, employee volunteering and safe entertainment.

Initially, for two years only the founder's employees were responsible for its activities. Since 2011, the foundation has started to take on full-time employees dedicated solely to work in the foundation. Since 2013, the foundation's team of permanent employees includes also its president. The decision to create an autonomous team was related to expansion of the foundation's area of activity, introduction of a long-term strategy and new programmes. Permanent team guarantees efficient achievement of goals. Currently, the foundation employs six people, including the president, programme coordinators, communications coordinator and specialist for administrative matters. Remuneration of project employees is included in programme costs, and of the remaining ones in administrative costs.

The foundation also uses the services of the founder's employees, among others in the area of IT, legal, payroll, financial and office services. These services are provided against remuneration (lump sum) based on agreements between the foundation and the founder's company, and their costs are listed in financial statements.

### BGŻ Foundation

The BGŻ Foundation regularly engages its scholarship recipients and graduates of the scholarship programme "Klasa BGŻ" ("Class of BGŻ") in volunteering. Project participants engage in activities organized by the foundation as part of the "Możesz na mnie polegać" ("You can rely on me") programme, and voluntarily help the candidates for subsequent editions of the scholarship programme in their localities. *Pro bono* activities are part of the system of values promoted through the programme, and the motto "You can rely on me" is the guiding principle of the scholarship recipients' social engagement, which they oblige to when becoming part of the "Class of BGŻ".

Within the framework of cooperation with the foundation, volunteers perform tasks related to organization of events,

logistics, promotion. An example of such engagement could be the support in organizing the Day of Blood Donation (action addressed to the founder's employees), as well as promoting recruitment to the "Class of BGŻ" programme. Moreover, volunteers cooperate with non-governmental organizations which the BGŻ Foundation has a chance to co-act.

In the case of the volunteers' long-term cooperation with another organization, with the BGŻ Foundation as an intermediary, appropriate agreements are signed between the volunteers and directly supported organization.

## PRACTICAL ADVICE

When creating the team of employees, the foundation should above all focus on their competences; people with experience in managing non-governmental organizations, who know the intricacies of the third sector, make valuable employees.

A foundation employing a permanent team should ensure that the descriptions of positions and division of duties – both in internal, as well as external communication – are clear. Placing information about individual employees' scopes of duties online is a good practice.

As any good employer, the foundation should take care of development of its employees and ensure them access to knowledge, trainings and support them in acquiring new competences.

A foundation using support of the founder's employees should reliably price and include the cost of their work in its financial statements.

Rules of cooperation with volunteers – both internal (from the founder's company) and external ones – should be written down (e.g. in the form of regulations) and communicated to everyone interested.



**ANDRZEJ PIETRUCHA**  
President of the Board, Bank Ochrony Środowiska Foundation

High competences of individual team members are not enough in order to build credibility of an untypical organization: a corporate foundation. What is necessary is autonomy versus the structure of the mother company. I find the idea of autonomy precisely in the standard concerning employees and volunteers of corporate foundations.

# X. External Relations

---

**STANDARD** Corporate foundations shall manage their external relations in a structured and planned manner so as to ensure the best possible pursuit of their missions and goals.

As public benefit organisations, corporate foundations initiate projects designed to solve the identified social problems. They seek to partner with other organisations and groups around efforts to pursue their goals and objectives. They seek to build their own capacity and expertise in the areas of focus.

Corporate foundations structure their external relations on a win-win basis while respecting the different stakeholders' interests, expectations and needs. They maintain openness to diverse opinions and behaviours.

Corporate foundations shall interact with the external environment through dialogue and maintain open communication with all of their stakeholders. They shall do their utmost to ensure that their message is effectively communicated to people with diverse needs, including people with special needs.

Corporate foundations shall not engage in any projects that directly pursue their founders' business goals and objectives. They shall exercise extra diligence in managing their relationships with organisations that are in a business relationship with their founders.

Corporate foundations shall enhance their image mainly by pursuing their missions in a professional, sound and ethical manner. They shall comply with the very same principles they promote outside. Their public relations activities will be conducted in proportion to the actual size and nature of their mission-oriented operations.

Corporate foundations shall actively respond to major social, economic, environmental and fundamental human rights and freedoms.

---

## VERIFYING QUESTIONS:

- |   |   |
|---|---|
| <p>— 1 Does the foundation have written rules of communication with stakeholders?<br/>PROOF: document</p>   | <p>— 5 Does the foundation publish the report on its activities online?<br/>PROOF: link to website with the foundation's reports</p>                            |
| <p>— 2 Does the foundation have written code of ethics which it obeys?<br/>PROOF: document</p>  | <p>— 6 Does the foundation have its own website?<br/>PROOF: link</p>  |
| <p>— 3 Does the foundation consult stakeholders at the stage of planning of activities?<br/>PROOF: description of consultations procedure or results of consultations</p> | <p>— 7 Does the foundation publish its full and current contact data online?<br/>PROOF: link to website with email address, phone number(s), postal address</p> |
| <p>— 4 Does the foundation publish current information about its activities online?<br/>PROOF: link to website</p>  | <p>— 8 Does the foundation publish its bylaws online?<br/>PROOF: link to website with the foundation's bylaws</p>   |

## GOOD EXAMPLES

### — "Dbam o Zdrowie" Foundation ("I Care for My Health" Foundation)

One of the flagships of the "I Care for My Health" Foundation is the "Podaruj Zdrowie" ("Give Health as a Gift") programme – the foundation opens its temporary offices in different towns in Poland, where it accepts individuals' applications for co-financing of the purchase of medicines. The action is supported by local administration: authorities of cities, districts and municipalities, Local Social Welfare Centres, parishes, Polish Family Support Centres. The foundation also cooperates with local non-governmental organizations. Wide-reaching partnership helps to strengthen the effect of its activities: apart from direct help, the foundation highlights a social problem – difficult situation of the elderly, disabled, poor – and encourages people, e.g. through local media, to bring help to them. Within the framework of this action, beneficiaries receive special cards with specified denomination to purchase medicines in a pharmacy. It needs to be emphasized that the foundation cooperates with various pharmacies and beneficiaries are assisted in filling in the applications by volunteers.

The foundation modified its website [www.fundacja.doz.pl](http://www.fundacja.doz.pl), making it more transparent and emphasizing grant-making activity. The renewed website has a very legible layout and is easy to navigate for people looking for information about the rules of providing support.

### — Przyjaciółka Foundation and Oriflame Dzieciom Foundation

Przyjaciółka and Oriflame Dzieciom corporate foundations, together with other organizations co-create the Coalition for Foster Care. The coalition was set up on the initiative of the Przyjaciółka Foundation, which until now runs its office and lends it rooms. The Vice-President of the Board of the Przyjaciółka Foundation has for many years been in the Coalition's governing body. She advocates for it, cooperates with state administration and participates in public debate about foster care.

The Coalition's goal is broadly understood advocacy for foster care: breaking the stereotypes about it, increasing social awareness, cooperation with administration and participation in public debate about forms of child care. Both organizations

engage in the Coalition's activities due to their mission and strategic goals. The Coalition actively takes positions in matters related to the area of its activity; in 2013, for example, it issued an official protest against information provided by the media with untrue statistical data about foster families and family children's homes, which could falsely suggest a drop in the number of children taken care of by them. In its official position, the Coalition presented the correct, in its opinion, figures, and explained potential causes of such inaccuracy, appealing at the same time for journalistic credibility.

## PRACTICAL ADVICE

— When deciding on partners for cooperation, the foundation should be guided by criteria such as: convergence of missions, operation in similar areas, complementary competences. Trade partnerships can be an example of synergistic cooperation. Variety of actors: non-governmental organizations, universities, public administration, business is also an added value.

— As part of the overall evaluation of foundation's activities, the organization should ask its partners about their expectations and assessment of cooperation in order to then use this knowledge to enhance the quality of relations. When asking about the views of the grantees, it is vital to ensure anonymity of responses to obtain authentic information.

— Taking a proactive approach to important social problems can take many forms: statements in the media, petitions, organization of public debate on a specific problem. Drawing public attention to the problem is a valuable contribution of the foundation in its solution. Building a coalition of support around it is also helpful.

— Shaping its relationship with its surroundings, the foundation should independently contact the stakeholders. Using intermediaries, such as a PR agency, builds an unnecessary barrier and may cause confusion. It is the foundation who knows the most about its activities and can inform about them in the most reliable way. Direct contacts will help in establishing credibility of the organization.



Workshop "Corporate Foundation's Employees and Volunteers", March 7, 2014

# XI. Evaluation

---

**STANDARD** Corporate foundations regularly evaluate their operations. They use the evaluation findings to further improve their core activities and administration, to inform stakeholders about the outcomes of their projects and to inform their own resource allocation decisions.

The evaluation shall consider the perspectives of different stakeholders while setting the objectives and identifying the scope of such evaluation and while collecting information and formulating recommendations. Evaluation will be participatory to ensure greater relevance of results and to reduce bias. While selecting their evaluation methodologies and formats, corporate foundations shall consider engaging with their key stakeholders, securing independent sources of information and obtaining both qualitative and quantitative data.

Corporate foundations shall use evaluation and various other forms of internal assessment as well as external evaluation to ensure independent opinion and greater transparency of assessment. Evaluation plans must be developed in parallel with plans to pursue the mission. Evaluation must be planned for the various phases of project and program implementation. Corporate foundations shall make sure that resources allocated to evaluation are reasonable in proportion to resource allocated to projects and programs.

Evaluation results will be communicated to internal and external stakeholders. The method and format of such communication will be tailored to ensure effective delivery and reach-out to target audiences. Since evaluation is essentially about learning how to operate more efficiently and effectively and about sharing this information with others corporate foundations shall not withhold information about its errors and failures but will learn lessons for the future.

---

## VERIFYING QUESTIONS:

1 Did the foundation conduct an internal verification (by persons from the foundation's team) at least once during the last 5 years?

PROOF: report with evaluation results

2 Did the foundation conduct an external verification (by an external entity) at least once during the last 5 years?

PROOF: report with evaluation results

3 Does the foundation evaluate its support policy and procedures?

PROOF: report with evaluation results

4 Does the foundation have defined measures of effectiveness of its activities?

PROOF: list of measures

5 Does the foundation include stakeholders in the evaluation process?

PROOF: document with evaluation methodology

6 Do evaluation reports contain recommendations, guidelines for change?

PROOF: evaluation report

## GOOD EXAMPLES

### Orange Foundation

The "Pracownia Orange" ("Orange Studio") programme is dedicated to inhabitants of small towns in Poland. Within its framework, the foundation helped to refurbish and equip 50 rooms (computers, the Internet, TV sets, game consoles) functioning as places for meetings and integration, a space for a variety of social undertakings. The studios are managed by volunteers and local leaders. The Foundation supports the studios also with its know-how, e.g. through trainings in leadership skills, animation, work with volunteers and through a special Internet platform (knowledge base).

Evaluation of the programme was designed so as to match its goal: creating independent (with time also independent on the foundation) centres of activity and a network of local leaders cooperating with each other, and in the long term



Second Meeting  
of the Project  
Participants,  
February 13, 2015

decreasing social exclusion and enhancing social activity in the towns participating in the project. The evaluation was conducted continuously since the programme's beginning, e.g. leaders' opinions were researched every six months through surveys.

During the evaluation the following tools were used: in-depth interviews with leaders of the studios, online surveys, focus groups (leaders, persons using the studio, local authorities). Verification included such aspects as: level of competences (did it increase thanks to the studios), assessment of trainings, platform, activities and other elements of the project, user needs, networking. Results of the study have been used by the foundation to improve and modernize the programme. For instance, in reply to the evaluation results, the foundation introduced trainings in fundraising for local organizations.

#### — PZU Foundation

Towards the end of 2014, the PZU Foundation undertook a comprehensive study summarizing the 10 years of grant contests organized by it. The study report contains detailed results of the evaluation conducted by an external entity - the Unit for Social Innovation and Research "Shipyard" specialising, among others, in project evaluation. Three grant contests were evaluated: "Z PZU po lekcjach" ("With PZU after school time"), "Młodzi niepełnosprawni – sprawni z PZU" ("Young disabled – enabled with PZU") and "PZU z Kulturą" ("PZU with Culture"). The evaluation study was conducted from June to September 2014 in five modules. In the first stage, a database was created based on all content reports presented by grantee organizations in the years 2005–2013, and the results were used for statistical data analysis. Subsequently, through in-depth interviews and Internet surveys (qualitative research) grantees' opinions were verified. Evaluation included the study of social impact of grant projects (e.g. the history of participants of projects supported by the foundation after their completion was analysed), as well as of the foundation's image (based on analysis of press materials and information in the Internet).

Holistic results of the evaluation were presented in the report entitled "10 lat działalności Fundacji PZU" ("10 years of activities of the PZU Foundation") available at [www.fundacjapzu.pl](http://www.fundacjapzu.pl)

and distributed among beneficiaries and partners of the foundation. Recommendations contained in it, which take into consideration grantees' comments, are actively implemented by the foundation since 2015.

#### PRACTICAL ADVICE

— Irrespective of the scale of operations and its means, the foundation should remember about evaluation, both at the planning stage, and at the stage of implementation of activities. Variety of evaluation tools allows it to choose the appropriate forms of assessment.

— It needs to be remembered that the cost of evaluation is not reflected in its quality - quality is determined by good preparation, for example planning the monitoring of activities before the start of a given project of the foundation, so that it is possible to collect current figures and opinions of stakeholders.

— The foundation may use inexpensive evaluation tools, for example conduct evaluation independently, using its own resources.

— In the case of a grant programme, the foundation should support its grantees in the conduct of evaluation, in particular allowing them to allocate a part of the funds for assessment. During evaluation of individual grantees' projects the foundation collects and analyses holistic data.

— Making results of the evaluation public in the form of a report on the foundation's website is a good practice.

— It is advisable that the evaluation report contained not only the very assessment results but also recommendations concerning development.





---

USEFUL  
RESOURCES

# Selected resources concerning various aspects of corporate foundations' functioning

---

## **SELECTED ACTS PERTAINING TO RUNNING OF A FOUNDATION**

Act of 6 April 1984 on Foundations

Act of 24 April 2003 on Public Benefit and Volunteer Work

Act of 20 August 1997 on the National Court Register

Act of 29 September 1994 on Accounting

Act of 16 November 2000 on Prevention of Money Laundering Practices and Financing of Terrorism

Act of 29 June 1995 on Official Statistics

Act of 23 April 1964 – Civil Code

Act of 26 June 1974 – Labour Code

Act of 29 August 1997 on the Protection of Personal Data

Act of 4 February 1994 on Copyright and Related Rights

Act of 26 July 1991 on Personal Income Tax

Act of 15 February 1992 on Corporate Income Tax

Act of 14 March 2014 on the Rules of Public Collections

## **INTERNET SOURCES**

All materials from conferences and seminars on corporate foundations standards: [www.forumdarczyncow.pl](http://www.forumdarczyncow.pl)

Current information about non-governmental organizations, legal changes, events: [www.ngo.pl](http://www.ngo.pl)

Database of non-governmental organization: <http://bazy.ngo.pl/>

Reports, analyses and conclusions from civic society studies: <http://civicpedia.ngo.pl/>

Activities of inhabitants of villages and towns: <http://witrynawiejska.org.pl>

Socio-economic condition of municipalities, districts and provinces: <http://www.mojapolis.pl/>

Trainers of non-governmental organizations: <http://www.stowarzyszeniestop.pl/trenerzy.php>

Volunteering: <http://wolontariat.org.pl/>

## PUBLICATIONS

### About the sector of non-governmental organizations:

Polish Donors Forum: <http://www.forumdarczyncow.pl/>



"Corporate Foundations in Poland" 2007 and 2012 Study Reports

"The Role and Models of Foundations in Poland and in Europe"

Academy for the Development of Philanthropy in Poland: <http://www.filantropia.org.pl/publikacje-arfp>

Klon/Jawor Association: <http://www.klon.org.pl/>



Handbooks from the series ABC OF THE 3RD SECTOR

3w\* Brochures describing basic issues of importance for associations and foundations

Civil Society Development Foundation: <http://frso.pl/ksiegarnia-czytelnia>

The Unit for Social Innovation and Research "Shipyard": <http://stocznia.org.pl/publikacje-stoczni/>

Institute of Public Affairs: <http://www.isp.org.pl>

"Trzeci Sektor" quarterly: <http://www.isp.org.pl/kwartalnik/ksiegarnia,26.html>

### About evaluation:

„Ewaluacja. Jak to się robi?” ("Evaluation. How do you do it?") Handbook for programmes of the Polish-American Freedom Foundation, Unit for Social Innovation and Research "Shipyard", 2013: <http://stocznia.w1.laboratorium.ee/publikacje-stoczni/>

"Foundation Evaluation Handbook", W.K. Kellogg, 2004: <http://www.wkcf.org/resource-directory/resource/2010/w-k-kellogg-foundation-evaluation-handbook>

Catalogue of the Polish Evaluation Society:

<http://www.pte.org.pl/index.php/nasze-projkety/katalog-pte>

„Mierzenie efektywności and wpływu społecznego działań CSR" ("Measuring effectiveness and social impact of CSR activities") Responsible Business Forum, 2012: [http://odpowiedzialnybiznes.pl/public/files/Mierzenie%20efektywnosci%20dzialan%20CSR\\_FOB\\_2012.pdf](http://odpowiedzialnybiznes.pl/public/files/Mierzenie%20efektywnosci%20dzialan%20CSR_FOB_2012.pdf)

„Zmierzyć niemierzalne, czyli o pomiarze oddziaływania społecznego" ("Measuring the immeasurable – about measuring social impact") Klon/Jawor Association, 2008:

<http://www.ekonomiaspoleczna.pl/files/ekonomiaspoleczna.pl/public/Biblioteka/2008.28.pdf>

## STANDARDS AND PRINCIPLES

Publication „Etyka w organizacjach pozarządowych. Standardy w praktyce funkcjonowania organizacji pozarządowych" ("Ethics in non-governmental organizations. Standards in the practice of non-governmental organizations"), National Federation of Non-Governmental Organizations, 2005: [http://ofop.eu/sites/ofop.eu/files/images/stories/Etyka\\_w\\_ngo.pdf](http://ofop.eu/sites/ofop.eu/files/images/stories/Etyka_w_ngo.pdf)

Formal and legal standards for associations and foundations – self-assessment tool prepared by the Klon/Jawor Association and the Centrum Szpitalna Federation of Non-Governmental Organizations: <http://standardy.ngo.pl>

Charter of Operational Principles of Non-Governmental Organizations adopted by the General Assembly of the National Federation of Non-Governmental Organizations, 28 May 2010: <http://ofop.eu/node/155>

Study entitled "Diagnosis of non-governmental organizations' activities from the perspective of standards of operations" Final report, SMG/KRC Poland Media S.A., August 2010: [http://www.pozYTEK.gov.pl/files/Biblioteka/raport\\_finalny\\_SMGKRC.pdf](http://www.pozYTEK.gov.pl/files/Biblioteka/raport_finalny_SMGKRC.pdf)

Standards of the Local Funds Federation in Poland: [http://www.ffl.org.pl/pl/standardy\\_fl](http://www.ffl.org.pl/pl/standardy_fl)

European Foundation Centre Principles of Good Practice: A Self-Regulatory Tool for Foundations:

<http://www.efc.be/about/Pages/Code-of-Practice.aspx>

"Transparency and Accountability. Regulation of Public-Benefit Foundations in Europe" EFC, DAFNE:

[http://www.efc.be/programmes\\_services/resources/Documents/](http://www.efc.be/programmes_services/resources/Documents/ExploringTransparencyAndAccountabilityRegulationOfPublicBenefitFoundationsInEurope_FINAL.pdf)

[ExploringTransparencyAndAccountabilityRegulationOfPublicBenefitFoundationsInEurope\\_FINAL.pdf](http://www.efc.be/programmes_services/resources/Documents/ExploringTransparencyAndAccountabilityRegulationOfPublicBenefitFoundationsInEurope_FINAL.pdf)

"Good Practice for Corporate Foundations", Association of Charitable Foundations: <http://www.acf.org.uk/publicationsandresources/?id=136>

Glasspockets – tool for verifying transparency in foundations, created by the American Foundation Centre: <http://glasspockets.org/>

## **ADVICE AND TRAININGS**

Academy of Civic Organizations – trainings and courses for managers of non-governmental organizations and other non profit institutions: <http://faoo.pl>

Advice, consultations and trainings in management of non-governmental organizations run by the Civil Society Development Foundation: <http://frso.pl/>

Current information about available trainings: [www.ngo.pl](http://www.ngo.pl)

Informatorium – assistance in running a non-governmental organization provided by the Klon/Jawor Association and the Centrum Szpitalna Federation: <http://szpitalna.ngo.pl/informatorium>, info line: 801 646 719

Handbook for non-governmental organizations: <http://poradnik.ngo.pl/>

## **FOUNDATIONS AND GRANTS ABROAD**

Studies and publications about foundations in the United States: <http://foundationcenter.org/knowledgeservices/>

Charities Aid Foundation in the United Kingdom- studies and trends in philanthropy: <https://www.cafonline.org/about-us/publications.aspx>

European Foundation Centre: <http://www.efc.be/>

GrantCraft – initiative of the European Foundation Centre and the American Foundation Centre for improving the art of grant-making, source of knowledge, support and a platform connecting experts in philanthropy: <http://www.grantcraft.org/>

## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Business in the Community – association for responsible business in the United Kingdom:

<http://www.bitc.org.uk/our-resources/research-reports>

Responsible Business Forum: <http://odpowiedzialnybiznes.pl/typ-publicacji/publikacje-fob/>

## **STANDARDS FOR CORPORATE FOUNDATIONS ARE A JOINT WORK OF:**

Amicus Support Foundation  
Agora's Foundation  
Aviva Foundation  
Bank Ochrony Środowiska Foundation  
BGK Foundation  
BGŻ Foundation  
BNP Paribas Foundation  
CEMEX "Budujemy Przyszłość" Foundation  
"Dbam o Zdrowie" Foundation ("I Care for My Health" Foundation)  
Delphinus Foundation for medical and social rehabilitation  
Atlas Charity Foundation  
EY Foundation  
Góraźdże – Aktywni w Regionie Foundation  
"Grow with Us" Foundation  
Foundation of the Ergo Hestia Group for professional integration  
of persons with disabilities Integralia  
Helios Foundation for sport, cooperation of business and communities  
Jesteśmy Blisko Foundation  
Kronenberg Foundation at Citi Handlowy  
Leroy Merlin Foundation  
LOTTO Million Dreams Foundation  
Medicover Foundation  
MSD dla Zdrowia Kobiet Foundation  
Nasze Dzieci Foundation  
Foundation for Silesian Science  
Nutricia Foundation  
Orange Foundation  
Oriflame Dzieciom Foundation  
ORLEN – DAR SERCA Foundation  
PBS Pomagam Foundation  
PGE - Energia z Serca Foundation  
Ignacy Łukasiewicz PGNIG SA Foundation  
Piotr i Paweł "Radość Dzieciom" Foundation  
PKO Bank Polski Foundation  
"Pocztowy Dar" Foundation  
Polsat Foundation  
Przyjaciółka Foundation  
PwC Foundation  
PZU Foundation  
Radio Zet Foundation  
Rejs Odkrywców Foundation  
Tesco's Children Foundation  
TVN Foundation "you are not alone"  
VIVE Serce Dzieciom Foundation  
Grant Fund for Płock  
Polpharma Scientific Foundation

**Publisher:**

Polish Donors Forum

[www.forumdarczyncow.pl](http://www.forumdarczyncow.pl)

e-mail: [poczta@forumdarczyncow.pl](mailto:poczta@forumdarczyncow.pl)

**Authors:**

Natalia Ćwik-Obrębowska, Magdalena Pękacka, Agata Tomaszewska

**Graphic design of the cover and typesetting:**

 RZECZYOBRAZKOWE.PL

Edition: 500 issues

ISBN 978-83-929843-1-3

*This publication is free of charge.*

All rights reserved © 2015 Polish Donors Forum

The present publication was prepared within the framework of the project

“Increasing the quality of public tasks fulfilment by corporate foundations in Poland”

co-financed by the European Union through the European Social Fund.



**EUROPEAN UNION**  
EUROPEAN  
SOCIAL FUND







Polish Donors Forum  
tel.: +48 535 990 910  
e-mail: [poczta@forumdarczyncow.pl](mailto:poczta@forumdarczyncow.pl)  
[www.forumdarczyncow.pl](http://www.forumdarczyncow.pl)



**HUMAN CAPITAL**  
NATIONAL COHESION STRATEGY



EUROPEAN UNION  
EUROPEAN  
SOCIAL FUND



Project co-financed by the European Union under the European Social Fund