

Envisioning an Ethical World

When I reflect on the profound and enhancing role the Ethics Resource Center (ERC) plays all around the world, I feel an enormous sense of pride and an even greater sense of responsibility to ensure that we forge ahead in the field of organizational integrity.

As the chairman of the ERC's Board of Directors, I have watched the ERC etch a name for itself both domestically and internationally. It amazes me that corporations, governments, research and educational institutions, nonprofits and individuals - from Bogota, Colombia to Istanbul, Turkey from Phoenix, Arizona to Bath, Maine - have felt the impact of our work.

We have left our footprints around the world. We have supported the development of ethics centers globally. We have encouraged discussions on ethics and values - from the classroom to the boardroom. We have helped organizations around the world discover and find ways to live their own values - and we're not finished yet.

Although our society is filled with many cultures, beliefs and ethnic backgrounds, we all have one thing in common - the possession of values. We may not cherish the same set of values, but we all understand that values define who we are as individuals. It is our values that help us embrace our similarities and our differences. And at the ERC, we believe it is our values that propel us toward excellence.

Our vision is an ethical world. Our mission is to be a leader and catalyst in fostering ethical practices in individuals and institutions. Our promise is to remain a clear voice, steadfast in our values.

“Be honorable yourself if you wish to associate with honorable people.”

Welsh Proverb



Irving Widmer Bailey, II
Chairman of the Board

Men can starve from a lack of self-realization as much as they can from a lack of bread

“Men can starve from a lack of self-realization as much as they can from a lack of bread.”

Richard Wright
20th-century Author

Living Our Values

Values

Defining Our Values: Honesty, Trust, Respect and Excellence

We at the Ethics Resource Center (ERC) embarked on an important journey this year. A journey that required us to travel deep within ourselves and discover what we value in our professional and personal lives.

We discovered that although we are a diverse organization, we share similar ideals. And together, we began the important work of developing a set of core values to help guide us.

It was a task that spanned many months, several committees, countless meetings and dozens of drafts. The result? A set of core values - honesty, trust, respect and excellence - that are essential building blocks for us as we work toward our vision and mission.

Our values statement helps to define us as an organization, explain how we expect to treat others and set a standard for how we conduct our work. We are honored to share our values with you.

We are working to exemplify our values both in our professional and personal lives. We are committed to living and celebrating our values with each other. We are striving to live our values daily. Each of the ERC's programs - Advisory Services, Character Development, International Programs and Fellows Program - exists with our values as their foundation.

But, a values statement can only do so much in the abstract. To live their values, organizations - even ethics organizations - need to understand and appreciate what these values mean in practice. They also need to find ways to hold themselves responsible for staying true to those shared values.

We at the ERC are committed to doing just that. We recognize that living our values is not a one-time destination or goal. It is a journey and a process that requires our ongoing efforts. It is a rewarding journey. A journey we encourage you to take.



Michael G. Daigneault, Esq.
President

"I respect the ERC for its efforts to understand what our stated values mean to us in practice. It takes effort to build good personal relationships. I'm sure the same is true for a healthy workplace."

Joshua Joseph
ERC Researcher and Consultant

"The ERC's value statement incorporates all of those things I hold precious as an individual. I especially appreciate the value of Respect - 'honoring our uniqueness' - something that's so fundamental but nevertheless traditionally missing in other organizations."

Carla Gullatt
ERC Development Manager

Ethics Resource Center Values Statement

The Ethics Resource Center (ERC) is dedicated to building community - a bond between individuals that grows from our shared values.

We embrace Honesty, Respect, Trust and Excellence in our daily interactions and in our work. Our values enable us to foster ethical practices in individuals and institutions and contribute to our vision of an ethical world.

This is a working statement - not a final version - that expresses the ERC's shared values. These values are fundamental to how we conduct our work as an organization, how we act as employees and how we treat each other as individuals. As we all strive to live these values, we will develop ways to hold ourselves responsible for practicing them. Our four core values are described here. We are also considering where four additional values fit within this document. They are: Integrity, Courage, Humility and Community.

Honesty

Honesty is being forthcoming and truthful when we interact with others and ourselves. It ensures sincerity in our relationships both internally and externally.

To promote Honesty, we will:

- Speak our minds freely but considerately
- Be direct and transparent
- Acknowledge our errors
- Graciously accept the mistakes of others

Respect

Respect is treating others with dignity and mutual consideration. It builds a community that encourages individuals and organizations to relate openly and fulfill their potentials.

To promote Respect, we will:

- Appreciate uniqueness
- Be compassionate
- Show courtesy
- Forgive ourselves and others
- Listen for understanding

Trust

Trust is the result of promises kept. It yields the confident expectation that we can rely on each other and that our community can rely on us.

To preserve Trust, we will:

- Maintain respectful and open communications
- Establish realistic expectations
- Commit thoughtfully
- Meet our obligations
- Offer the benefit of the doubt in situations that are unclear

Excellence

Excellence is the pursuit and achievement of exceptional quality. It inspires the integration of ethical practices within ourselves and our community.

To achieve Excellence, we will:

- Live our values
- Seek new knowledge
- Dare to innovate
- Expand our horizons
- Be consistent
- Learn from our experiences

"Talking about our organizational values and keeping them in the forefront of our minds has been a successful way of not losing sight of what is important."

Jerry Brown
ERC Program Manager

and keeping them in the forefront of our minds

Making Values Count

Many businesses, organizations and educational institutions read about the Ethics Resource Center (ERC) and they wonder: What can the ERC do for my organization? How can the ERC help us create or improve our ethics and compliance program?

The answer is simple.

People behave according to the principles they find to be important - their values. Whether you articulate them or not, values - even now - drive behavior that directly affects your organization's performance and reputation.

In a variety of ways...

We offer many services utilizing experienced professionals to serve your needs:

Ethics Strategy Development

Whether you are trying to achieve personal goals or the ethical goals of an organization, it is essential to have a map of where you are going. As organizations grow and expand their operations across international boundaries, they encounter new cultures, rules and barriers to success. What is important in one culture may be of little significance in another. What is legal and encouraged in one nation may be criminal in another. Perceptions of the varying roles an organization plays in multi-cultural environments are often as different as the cultures themselves. The ERC helps organizations develop cohesive, comprehensive strategies that enable leadership to:

- Integrate ethics, integrity and social responsibility into organizational strategic goals;
- Identify strengths and challenges unique to organizations working globally;
- Mitigate risk through early identification of potential challenges;
- Form meaningful strategic alliances with corporations, agencies and governments in other countries; and,
- Create an overall, comprehensive domestic or international integrity strategy.

Ethics Assessments

One of our fundamental beliefs is that while there are striking similarities between organizations, there are always dramatic differences. Whether your organization is interested in understanding its own ethical culture, identifying key issues to be addressed by your ethics training program or learning more about the global, ethical context in which you operate, our assessments provide a complete picture. We employ four key methodologies: ethics surveys, one-on-one interviews, focus groups and document reviews - to understand both the formal and informal issues within your organization's culture. An Ethics Assessment:

- Uncovers attitudes, perceptions, values, pressures to commit misconduct, communications, risks and vulnerabilities;
- Examines the degree to which values and ethics have been internalized among your stakeholders (employees, members, donors, etc.);
- Captures the philosophical, structural and informal factors that contribute to stakeholder buy-in and resistance to ethical conduct within your organization; and,
- Serves as a solid foundation on which an effective and lasting ethics infrastructure can be built.

Additionally, the ERC can perform: 1) Ethics Program Assessments that indicate how effectively an existing program is functioning and 2) code reviews that assess the content and effectiveness of your code of conduct or ethics.

Infrastructure Development

Once an organization has made a commitment to foster ethical conduct throughout its ranks, we recommend a formal infrastructure be established to make that commitment a reality. We'll work with your organization to develop or improve a system to ensure maximum effectiveness and sustainability. Our goal is to help craft a living ethics program - one that can be managed by your employees, not ours. Typical of ethics infrastructure elements are:

- An ethics officer position with vested overall responsibility for management of integrity matters;
- Operational procedures that enable the ethics office to function effectively and fairly;
- A help line or other system that enables individuals to voice concerns and seek advice;
- A vision statement, a values statement and a code of ethics;
- A system to monitor and track data; and,
- A comprehensive implementation and training plan.

Communications

Formalizing your organization's vision, mission and values and implementing the supporting infrastructure are really just the beginning steps to developing an effective and sustainable ethics initiative. The key to an effective launch, long-term sustainability and achieving true impact is communications. This includes effective communications with employees and stakeholders throughout the organization - from the CEO or principal to front-line employees or students. We can help you develop the tools - from codes of conduct to websites to integrity reports that speak to your stakeholders and help build your:

- Capacity to pay close attention to ethical, social responsibility and integrity issues;
- Ability to manage your reputation proactively; and,
- Ability to strengthen relationships with other like-minded organizations.

Ethics Training

We offer training for employees at all levels of your organization. With more than 50 different training modules available, we can tailor one that is appropriate for your goals and objectives. Or, the development of new training programs is also an option.

Whether your organization is working to uncover how its values are affecting employee performance and organizational reputation or whether you're trying to support the moral development of your employees or students, the ERC can help.

Our training is unique because it:

- Is customized, enabling you to determine both the length and content of courses using a special menu of objectives;
- Can be used in any organization with varying levels of modification - from minimal change to full customization;
- Can be delivered in courses of length varying from as little as one-half day to as much as a week or more;
- Includes knowledge building courses for senior executives, management training suitable for all levels and comprehensive courses for staff; and,
- Can be customized to an industry, profession or organization.

For more information about how we can work together, please call 1-800-777-1285 or visit our website at www.ethics.org.

Fostering Ethics in the Workplace

Every individual in every organization faces ethical challenges. But, it's not the challenges that shape an ethical climate of an organization; it's how the individual and the organization addresses these challenges. The Ethics Resource Center (ERC) has been assisting organizations in developing, implementing and maintaining effective ethics programs to shape their ethical climates - and address their challenges - for nearly 25 years.

To develop effective ethics programs, we combine a series of approaches that include: organizational ethics assessments and ethics program assessments, infrastructure development, ethics communications and training.

Although every organization is different - different focuses, different purposes, different missions, etc. - what makes all organizations similar are the challenges to an organization's ethical climate. In 2000, we have had the honor to work with many diverse organizations to help them discover their values and provide tools that assist in shaping their ethical climates.

International Finance Corporation

Under new management and ready to strengthen its ethical climate, the International Finance Corporation (IFC), a subsidiary of the World Bank Group (World Bank), asked for the ERC's help. The solution? Ethics training for the organization's more than 1,800 employees worldwide. Building from our work in developing the World Bank ethics code, we began with a brief assessment to uncover key IFC values and ethical challenges. Today, in close collaboration with the World Bank's Ethics Office, more than 500 employees have been trained and the work continues.

Merck & Company, Inc.

Reducing corruption worldwide is an increasing concern for many companies and organizations around the globe. Merck & Company, Inc. (Merck), along with the ERC, is leading the way in discovering approaches to fight corruption and increase productivity, both domestically and internationally.

In 2000, Merck formed a task team, whose responsibility was to develop a Global Business Integrity Strategy for the company. The team came to the ERC with this question: "How can Merck develop a defined set of strategies to encourage global business integrity?" The ERC answered by conducting research around the world to define the ethical challenges the company faced and assisted the team in developing appropriate and effective strategies. We continue to work with Merck to implement these strategies to impact the external environment in which they operate.

National Hospice and Palliative Care Organization

In 2000, the ERC supported the National Hospice and Palliative Care Organization's development of a Code of Ethics and a communication strategy to help its employees and member organizations foster and maintain a positive ethical climate. The ERC began by identifying ethical issues critical to the organization and by collecting data through focus groups, ethics surveys and document reviews. Working with the organization's Ethics Taskforce, the ERC supported them as they developed the Code, as well as an ethics communication strategy for internal and external audiences.

"What we need is an ethical environment where people feel totally at ease asking questions about the appropriateness of their actions in dealing daily with our clients and each other. Not that they are forced by rules but that they ask questions first. There are a lot of gray areas. And sometimes it is difficult to make decisions. The ethics training helps our people to ask questions and make the right decisions, rather than putting IFC's reputation at risk."

Peter Woicke
Executive Vice President of the International Finance Corporation and Managing Director of The World Bank Group - Private Sector Development

Society for Human Resource Management

With more than 155,000 members worldwide, the Society for Human Resource Management (SHRM) is the leading voice of the human resources profession. Since its Code of Ethics was last revised in the 1970s, SHRM and the profession itself has changed in scope and impact. SHRM believed it vital to revise its existing code of ethics and infrastructure to better prepare members to meet their changing professional obligations.

Working with the ERC, SHRM has developed a new Code of Professional Standards and Conduct for members, a Code of Ethics for SHRM employees, an instructional tool kit explaining how to establish codes within SHRM chapters and member organizations and a full infrastructure to support the codes, as well as training. Over 600 SHRM members and employees participated in an online review of the code of conduct or assisted with drafting the member and staff codes.

Sun Microsystems, Inc.

The culture of an organization takes shape at the top. It is critical to understand the perspectives of leadership when trying to understand the existing climate and identify areas for improvement. The ERC uses surveys as a principal means of quantitative data collection in support of this process. But, how do you survey 200 top executives efficiently when they are part of a global organization and constantly on travel?

Web-based surveying was the answer. The ERC established a secure server link on our home page for Sun Microsystems' executives to use as an entry portal to complete a survey questionnaire. The solution worked with 100% participation on the part of Sun Microsystems' senior management.

For more information on how your organization can work with the ERC, please call 1-800-777-1285 or visit our website at www.ethics.org.

"Creating a meaningful ethics program won't necessarily guarantee success for your organization. But it will signal the beginning of an organizational commitment - from the bottom to the top and from the top to the bottom - to making values and ethics a priority. And, that's where success begins."

Susan R. Meisinger, SPHR
Executive Vice President and Chief Operating Officer, Society for Human Resource Management
Member, ERC Board of Directors

Defining Character and Leadership

Honesty
Trust
Respect
Trust
Respect
Excellence
Excellence

Each school, each university and each educational organization is already involved in the process of character development, whether they realize it or not. Increasingly, educational institutions are recognizing their responsibility and are making a commitment to educate for character.

In so doing, these organizations are restructuring themselves to become communities in which all of their members are challenged to become educators of character. Many find, however, that they need assistance in establishing both an adequate approach and the support systems necessary to sustain their effort.

At the Ethics Resource Center (ERC), we can help with the vital process of beginning, continuing or evaluating a character development program. We aim to help educational communities establish themselves based upon ethical principles and advise them as they create the systems necessary to develop influential and long-lasting character development programs.

Lake Braddock Secondary School

Lake Braddock Secondary School in Lake Braddock, Virginia knew their destination, but needed a little help getting there. The ERC provided a map. We are currently working with the school to implement a comprehensive character development program. The first step - assessing the school's culture and helping them to discover their values. We are privileged to have worked with the school to assess its ethical climate and map out a detailed set of recommendations to guide their administrators and teachers in the right direction.

"Building character is a continuous process. It involves identifying your values, clarifying your values and living your values."

The Honorable Lamar Smith (R-TX)
U.S. House of Representatives

New Jersey Department of Education

The New Jersey Department of Education realized that the development of their student's character was just as important as the development of their academic skills. This year, they launched a new initiative, the New Jersey Character Education Partnership, to help educators within the state adopt character education programs that promote positive social behaviors among students and that foster caring, disciplined school climates conducive to learning. And, the ERC stood ready to help, providing technical assistance and evaluation of character education programs at more than 20 schools statewide.

Valley Forge Military Academy and College

Valley Forge Military Academy and College (the Academy) in Wayne, Pennsylvania contacted the ERC to assess their character development program in 1998. They wanted to make character development one of the cornerstones of their educational program. After our assessment of the school's ethical culture and values, their leadership agreed upon a new goal for the Academy: To graduate a Cadet who understands, believes in and practices the virtues of an honorable man.

This year, our work continues in creating materials for monthly character development seminars, assisting faculty as they integrate character development into their regular curriculum and building a structure that will perpetuate the program for generations to come.

"The goal of character development programs in schools is not to add another set of lesson plans, but to make character development a part of a school's culture and philosophy."

John H. Kuhnle
Managing Director, Korn/Ferry International
Member, ERC Board of Directors

Our Future

We are working hard to ensure that character development programs become prominently woven in the educational fabrics of schools, colleges and universities worldwide, and to do that, we have a number of new projects planned for the future:

- In our Catalysts for Character program, we are raising the funds for particularly promising but needy schools to support their character development initiatives.
- We are expanding our Character Development website (www.ethics.org/character) and developing online learning resources for all members of the educational community.
- We are developing resources for use in colleges and universities – a target group often overlooked and vastly under served.
- We are projecting our voice more in political environments to support legislation that will benefit character development programs long into the future.

For more information on our Character Development program, please call 1-800-777-1285 or visit our website at www.ethics.org.

"Character education is vital to our future. It is critical that parents, schools, businesses and communities work together to instill moral values in our children in support of our democratic society."

Dr. Diane G. Berreth
Deputy Executive Director
Association for Supervision and Curriculum Development

make character
make character
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development a
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part of a school's
culture school's culture
and philosophy
and philosophy

Promoting Global Integrity

Our cultures, our traditions and our languages may be different, but our values sometimes unify us. It is this thought that gives the Ethics Resource Center (ERC) the courage to reach across national boundaries, promoting global integrity.

Our experience working internationally has led us to recognize the need for a collaborative, integrated approach to promoting integrity in global commerce and civil societies worldwide. This need allows us to join hands with organizations across the globe and form the Global Integrity Alliance (Alliance). The Alliance brings together diverse stakeholders who share a common interest in promoting international integrity standards, as well as serving as a catalyst to foster ethical practices in individuals and institutions worldwide.

This year, in addition to pouring the foundation for the Alliance, our vision and mission have inspired us to launch ethics centers in Colombia, Russia and South Africa, to continue the good work undertaken by the Gulf Centre for Excellence in Ethics in the United Arab Emirates, to undertake a new project in Turkey, to form training programs and shared-learning environments and to help organizations create ethics programs and discover their values around the world.

Ethics Institute of South Africa

This year, the ERC supported the development and launch of the Ethics Institute of South Africa (EthicSA). EthicSA was launched on 30 November 2000 to serve as a resource to advance ethical practices in professional life, business and public policy in South Africa. The organization, funded by a grant from The Merck Company Foundation (Merck), marked its launch with the release of a ground-breaking survey, *Profession Under Siege: Medical Practice and Ethics in South Africa*, focusing on ethical issues facing South African doctors.

Global Integrity Exchange

Twelve individuals from Colombia, Russia, South Africa and the United Arab Emirates journeyed to the ERC in 2000 to participate in the Global Integrity Exchange (GIE). The GIE, an international training program, created by the ERC for ethics and anti-corruption professionals, provided the participants with theoretical, practical and experiential lessons on developing ethics programs for organizations in their respective countries.

Gulf Centre for Excellence in Ethics

Marking its second year, the Gulf Centre for Excellence in Ethics, in conjunction with the Dubai Chamber of Commerce and Industry and the Dubai Financial Market, produced yet another ground-breaking event in the Middle East, The Gulf International Conference on Cyber Ethics. The ERC-affiliated center organized the conference to examine key ethics and integrity issues associated with the transaction of business on the Internet - addressing technological, legal and privacy concerns.

“Corruption is not a culturally or genetically transmitted legacy, afflicting particular communities around the globe; it is essentially a social phenomenon, arising from specific institutional features and attitudes toward power status in a civil society. A broad based commitment to raising standards of business ethics and transparency is a necessary prerequisite for success in any culture.”

Richard Balfe
Member, European Union
Parliament

St. Petersburg Center for Business Ethics

Working with Sovereign Ventures, the ERC provided a range of technical assistance this year to the St. Petersburg Center for Business Ethics. This undertaking, partially funded with a grant from the Eurasia Foundation, builds upon Sovereign’s crucial work on the Declaration of Integrity in Business Conduct in St. Petersburg, Russia, which has been endorsed by more than 120 Russian companies.

The Turkish Ethics Values Center

The ERC conducted a feasibility analysis in February 2000, at the invitation of Merck, to determine which strategies would be most effective in raising awareness about global business integrity issues in Turkey. As a result, we recommended the establishment of the independent, non-governmental Turkish Ethics Values Center (TÜRKIYE ETİK DEĞERLER MERKEZİ).

In order to gain support for the new center, the ERC again partnered with Merck to produce a conference focusing on global standards for business conduct on 17 October 2000 in Istanbul, Turkey. The conference, Ethics Summit 2000, achieved its goal, bringing international business integrity issues to the attention of Turkish business leaders, government officials and media professionals.

For more information on the Integrity Alliance, please call 1-800-777-1285 or visit our website at www.ethics.org.

“In international business, we speak many languages and represent many cultures; however, we are unified in our drive to be the best and to deliver with integrity and honesty. These global values provide a solid foundation upon which we build our business. Technical advances are superseded, marketing strategies change and manufacturing processes pass into obsolescence, but our values and standards endure.”

Raymond V. Gilmartin
Chairman, President and Chief
Executive Officer, Merck & Co., Inc.
Member, ERC Emeritus Board

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Building New Knowledge

Exploring ethics and finding new ways to expand existing knowledge is the aim of the Ethics Resource Center's (ERC) Fellows Program, a select group of corporate, government, nonprofit and educational leaders who share an expertise and strong practical interest in the field of organizational integrity.

Whether it's creating new models to develop infrastructures or publishing insights into the ethical futures of organizations worldwide, the ERC Fellows share a common vision — to identify, examine and further understand the critical organizational ethics questions challenging organizations today.

During 2000, the ERC Fellows continued working toward their vision by publishing several working papers, launching new projects to further collective knowledge and supporting the development of a new advocacy group.

The Coalition for Ethics and Compliance Initiatives

The vision of the Coalition for Ethics and Compliance Initiatives (Coalition) is to foster the development of a legal, regulatory and business climate that supports the implementation of more effective ethics and compliance programs. The Coalition was developed after a Fellows Program subcommittee published the report on Employee Confidentiality and Non-Retributory Reporting Systems. The report presented four legislative models that would support an organization's ability to make enforceable promises of confidentiality as part of an effective ethics and compliance program. It sparked the formation of the coalition to serve as a voice and an advocate for the entire ethics and compliance community.

Insights 2000: A Report of the ERC Fellows Program

Insights 2000: A Report of the ERC Fellows Program offers a focused set of insights, challenges, implications and recommendations emanating from three projects undertaken by the ERC Fellows Program: *Ethics as a Leadership Issue*, *Ethics and Compliance in a Global Economy* and the *Integration of Principle into Practice*.

The report combines practical business experience with the results from the program's first three projects to offer implications and recommendations, which complement each other and support integrated ethics/compliance programs.

Moral Person and Moral Manager: How Executives Develop A Reputation for Ethical Leadership

Moral Person and Moral Manager, written by Linda Treviño, Ph.D., an ERC Fellow and a noted professor of organizational behavior from Pennsylvania State University, seeks to define ethical leadership and offers suggestions that will help in the development of such role models. Published by the *California Management Review*, the article presents practical tools for the selection, training and development of ethical leaders; furthers knowledge regarding the ethical dimensions of leadership; and relates a wide range of findings to the importance of ethical leadership.

Laura P. Hartman, Ph.D., DePaul University, and Michael Brown, Pennsylvania State University, assisted Ms. Trevino with her work.

Managing Ethics Upwards

Many senior level managers who view themselves as ethical, do not fully understand the critical role they must play to ensure an ethical environment within their organization. And often times, ethics officers find the challenge of managing ethics upwards to their organization's leaders difficult. *Managing Ethics Upwards* explores specific strategies for incorporating and managing ethics programs in an organization and provides ethics officers with clear strategies to affect the ethical practices of their leaders.

The publication was developed by Michael Daigneault, ERC President and Convenor of the Fellows Program; Jerry Guthrie, ERC Fellow and Corporate Director of Ethics and Business Conduct at BellSouth Corporation; and Frank Navran, ERC Principal Consultant and Director of Training.

Ethics & Compliance in a Global Economy: Making the Case

Managing with integrity is an increasingly vital and complex challenge facing global corporations. *Ethics & Compliance in a Global Economy* explores how corporations operate with regard to ethics and compliance issues; anti-corruption and anti-money laundering practices; human rights and labor issues; environmental standards; respect for national cultures; and support for local community development.

The report was written by Frank Vogl, an ERC Fellow and member of the ERC's Board of Directors. In the report's conclusions, Vogl stresses that the success of corporate global ethics programs will depend, above all, on the determination and commitment of an organization's senior management and board of directors.

For more information on how you can become an ERC Fellow, please call 1-800-777-1285 or visit our website at www.ethics.org

Honesty



Our Vision is an Ethical World

Trust
Respect

Honesty Trust

Respect Excellence

Excellence

Honesty

Trust

Respect

Excellence

We try

never to

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forget that

forget that trust, honesty,

trust, honesty, respect

respect and excellence

and excellence strengthen

strengthen our ability

our ability to

to build new knowledge

build new knowledge

in the ethics field

in the Ethics Field

Being Accountable

“Being accountable for your actions isn’t a choice; it’s a must. It’s about being transparent about your dealings, presenting an explanation about your actions and being responsible for your conduct.”

Al DeLeon, CPA
DeLeon & Stang
Treasurer, ERC Board of Directors

All organizations have a responsibility to transparently report their activities. As stewards of public trust, we believe that nonprofits have a particular obligation to their donors and the public. We embrace this practice and encourage you to view the Ethics Resource Center’s 2000 audited financial statements by visiting our website at www.ethics.org.

Assets

Current Assets

Cash	\$ 487,565
Accounts and Grants Receivable	869,769
Other Assets	30,581
Property and Equipment	75,407

Total Assets \$ 1,463,322

Liabilities & Net Assets

Current

Accounts Payable	\$ 402,701
Other Current Liabilities	103,181

Long-term

Obligations under capital lease	15,733
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Total Liabilities \$ 521,615

Net Assets

Unrestricted	\$ 224,788
Temporarily Restricted	516,919
Permanently Restricted	200,000

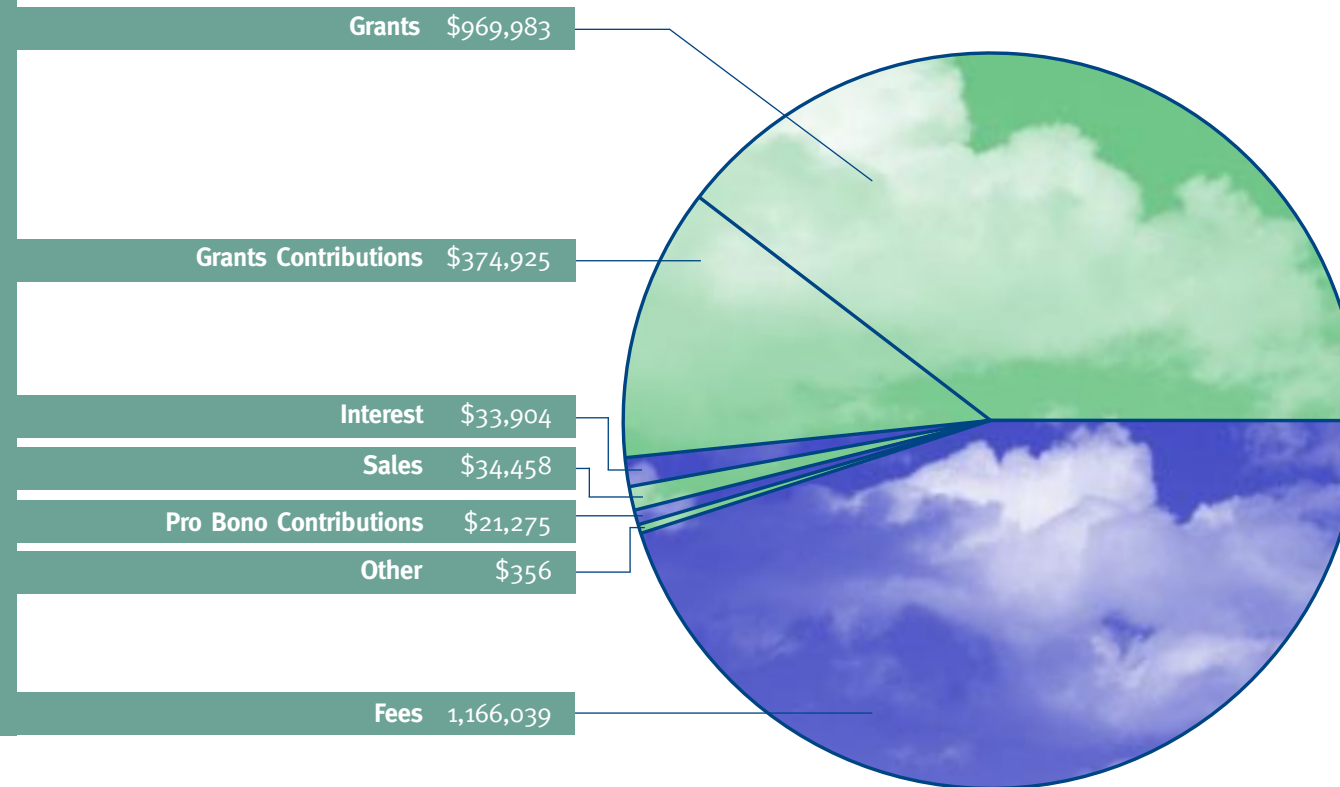
Total Net Assets 941,707

Total Liabilities & Net Assets \$ 1,463,322

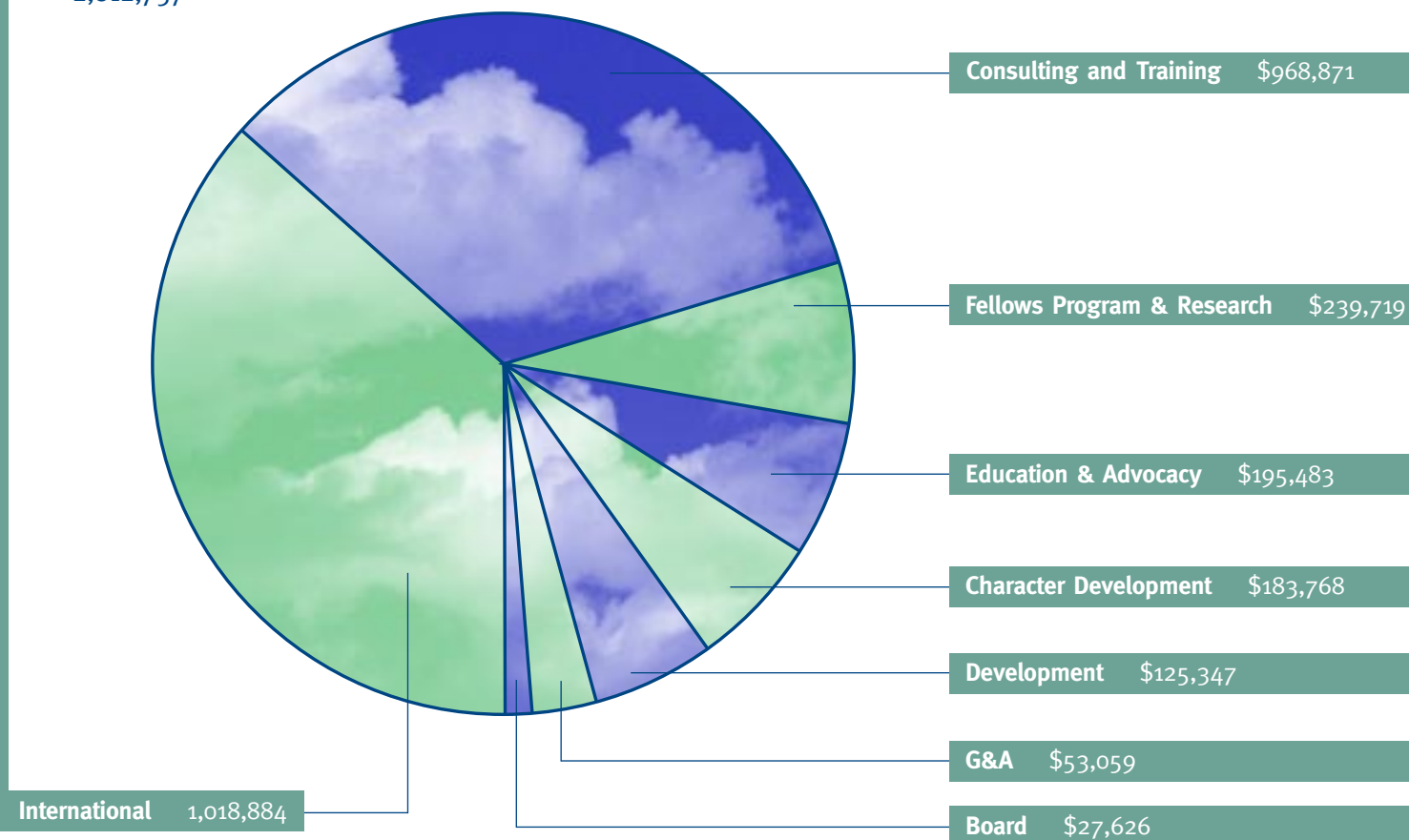
Honesty Trust
Respect Excellence

Statement of Activities for FY 2000

Revenues by sources \$2,600,940



Expenses by Program 2,812,757



Lending Your Support

Support

Our ability to pursue bold, new projects, foster ethical practices, expand our capabilities and launch new initiatives depends on charitable contributions from corporations, foundations and individuals like you. We hope that in the coming year you will choose to support our programs and in doing so, you will help us advance our vision of an ethical world.

Envisioning An Ethical World

You can support the Ethics Resource Center's (ERC) Annual Campaign by becoming a member of the Leadership Alliance, President's Council, Champion's Circle or Integrity Coalition. These corporate membership levels range from \$500 - \$ 5,000. And, as a member, you are entitled to receive invitations to ERC events and information on the latest research and cutting-edge best practices. You may also make an individual contribution in any amount to the ERC.

Defining Character and Leadership

The ERC's Character Development Program seeks to inspire generations of youth to lead ethical lives. Issues of character development are increasingly viewed as one of the most needed but least funded areas in the world. We at the ERC hope to change that. Our goal is to assist educators to apply and integrate lessons about values and integrity into their curriculum - cultivating future ethical leaders in government, business, fine arts, media, sports and more.

For more information on the ERC's Character Development Programs, please see pages 8 and 9 of this Annual Report.

Promoting Global Integrity

The ERC's experience working on international integrity issues has led us to recognize the need for a collaborative, integrated approach to promoting integrity in global commerce and civil societies worldwide. That new approach sparked the creation of a Global Integrity Alliance (the Alliance). The Alliance will provide a forum for inclusive dialogue on integrity issues; assist governments, civil societies and businesses to improve their ethical practices; and coordinate efforts among stakeholders in the field. As a result of its programs, the Alliance will have a direct impact on the economic stability and growth of developing nations and will promote integrity throughout the world.

For more information on the ERC's International Programs, please see pages 10 and 11 of this Annual Report.

Building New Knowledge

The ERC Fellows Program is a select group of corporate, government, nonprofit and education leaders who share an expertise and strong practical interest in the fields of business and organizational ethics. The purpose of the ERC Fellows Program is to identify and examine the critical business ethics questions challenging organizations today.

Participants in the program have the opportunity to influence critical trends, contribute to major decisions, shape the opinions of key leaders and contribute to the creation of a more ethical business world. The membership levels range from \$5,000 to \$25,000.

For more information on the ERC Fellows Program, please see page 12 and 13 of this Annual Report.

We encourage you to contact us at 1-800-777-1285 or visit our website at www.ethics.org to learn more about how you can lend your support. Your tax-deductible contribution can mailed to:

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Honesty

Honesty

Trust

Trust

Respect

Respect

Excellence

Excellence