



UPAY NGO Ethics, Transparency & Disciplinary Action policy

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Approved By: Chairman (UPAY)

Signed by

1. Introduction

UPAY (Under Privileged Advancement by Youth) is a grassroots volunteer-driven non-profit organization committed to ensuring education and dignity for every child. Ethical conduct, transparency, and participatory governance are central to our mission. This manual lays out the principles, procedures, and mechanisms that uphold our integrity in every action and interaction. It institutionalizes the commitment to ethical conduct, fraud prevention, anti-corruption measures, and participatory governance, anchored in UPAY's core values.

2. Objective

- Uphold ethical standards and integrity at all levels.
- Prevent fraud, corruption, abuse of authority, and conflicts of interest.
- Define clear, accountable decision-making and communication processes.
- Protect the rights and dignity of children, staff, volunteers, and donors.
- Foster a culture of transparency and inclusivity.
- To define SOPs for fraud prevention, corruption control, and transparency enforcement.
- Strengthen public confidence and donor trust.

3. Scope

Applies to all individuals associated with UPAY:

- Board and Advisory Members
- Employees (full-time, part-time, contractual)
- Volunteers, Fellows, Interns
- Partners, Vendors, and Consultants
- Every person and entity associated with UPAY

4. Core Values – S.P.I.R.I.T.

UPAY's mission to bridge the educational and opportunity divide is anchored in its core values represented by the acronym **SPIRIT**. These values are not just ideals but daily practices reflected in every center, team, and initiative. Each value embodies the character of the organization and defines how its volunteers, staff, and leaders engage with children, communities, and each other. UPAY's mission and work are guided by the values of SPIRIT:

- **Sincerity**
- **Positivity**
- **Integrity**
- **Respectful & Humble**

- Inclusivity
- Teamwork

S – Sincerity

“Honest and wholehearted commitment to the mission.”

At UPAY, sincerity means showing genuine dedication to the cause of child empowerment. Whether it's a volunteer teaching under a streetlight or a zonal coordinator organizing community meetings, every action is driven by a sincere desire to uplift underserved children.

P – Positivity

“Continuously striving despite challenges.”

Working in underserved areas often brings hurdles like lack of infrastructure, irregular attendance, or emotional trauma in children. Yet, UPAY's team approaches these with hope and resilience, creating joyful learning environments against all odds.

I – Integrity

“Upholding ethical conduct and moral responsibility.”

Integrity guides how UPAY uses funds, manages volunteer relationships, and ensures child protection. The organization strictly follows transparency in its financial reporting, decision-making, and ensures that every child's right is protected with dignity.

R – Respectful & Humble

“Valuing every individual with dignity.”

UPAY believes that transformation starts with mutual respect. It treats children, parents, volunteers, and partners with humility—creating safe and inclusive spaces where everyone feels heard.

I – Inclusivity

“Encouraging creative and effective solutions.”

UPAY thrives on collaboration, welcoming individuals from diverse backgrounds—students, working professionals, corporates, artists, and educators—to co-create sustainable solutions for children's development.

T – Teamwork

“Openness in communication and decisions.”

Teamwork is the soul of UPAY. Every project is built through collective effort—from center volunteers to advisory board members. Decisions are made through dialogue, mutual respect, and openness.

Conclusion: Living the SPIRIT

The **SPIRIT** of UPAY is not just a set of words—it is lived every day in the slums, on the footpaths, in the classrooms, and in the boardrooms. These values inspire trust, ensure impact, and define the organization’s journey of transforming lives through education and empowerment.

Value	Meaning	Real-life Application
Sincerity	Deep, authentic engagement with UPAY’s mission	Volunteers spend time understanding community needs rather than just clocking hours.
Positivity	Hopeful approach despite field hardships	A center head motivates volunteers when children’s attendance drops due to migration.
Integrity	Consistent honesty and transparency	Reporting actual learning levels, even if results are below target.
Respect & Humility	Treating everyone with dignity, regardless of position	Zonal Director addresses community elders with respect during visits.
Inclusivity	Embracing diversity and co-creating with communities	Volunteers from different regions work with local communities without bias.
Teamwork	Collaboration over individual recognition	Two volunteers co-lead a center and share success equally.

5. Code of Ethics

All stakeholders must:

- Act honestly and with integrity
- Avoid conflicts of interest
- Be accountable for decisions/Action
- Treat others fairly, respectfully, and avoid favoritism, nepotism, discrimination.

- Maintain confidentiality and data privacy (e.g., child data, finances, internal reports).
- Use UPAY’s resources only for official work & responsibly.
- Refrain from using UPAY for personal political or religious agenda.
- Declare and address any conflicts of interest.

Examples:

- A volunteer does not share student photos on social media without written consent.
- A coordinator avoids assigning a leadership role to a close friend without fair assessment.

6. Conflict of Interest Policy

6.1 Definition

A conflict of interest (COI) arises when a person’s personal interest could improperly influence their duties to UPAY.

6.2 Types of COI in UPAY Context

Type	Example
Relational	A zonal coordinator awarding a paid service contract to a cousin without a fair vendor selection.
Dual Employment	A fellow working simultaneously with another NGO that has overlapping programs.
Financial	A volunteer buying supplies for UPAY from a business they partially own.
Influence	A governing member recommending their relative for a staff role without merit.

6.3 SOP: Conflict of Interest

- 1. Annual Disclosure:**
 - All decision-makers to fill a COI form at the start of every financial year.
- 2. Real-Time Disclosure:**
 - Any emerging conflict to be reported to the Governance Committee within 3 days.
- 3. Documentation:**
 - All disclosures logged in a COI Register.
- 4. Review & Mitigation:**

- Governance & Ethics Committee to assess and recommend:
 - Recusal from decision
 - Independent vendor/staff selection
 - Transfer of duties
- 5. **Example Resolution:**
 - If a Zonal Head's sibling applies as a vendor, an independent panel is assigned to evaluate all vendor proposals.

7. Fraud Prevention and Anti-Corruption SOP

Definition: Fraud includes, but is not limited to, misappropriation of funds, forgery, falsification of documents, bribery, and misuse of authority.

7.1 Prevention Measures

- **Hiring Protocol:** Background checks, ID, and reference verification.
- **Financial Controls:**
 - Segregation of duties: Initiator ≠ Reviewer ≠ Approver
 - Approval matrix for payments:
- **Digital Systems:** All transactions through UPAY bank accounts.
- **Staff Rotation:** Every 12–18 months in sensitive finance roles
- Dual-signatory system for financial transaction

7.2 Detection Mechanisms

- Quarterly internal audits
- Surprise visits to centers and vendors
- Anonymous complaints (Google Form, email hotline, drop boxes)

7.3 Action SOP

1. **Investigation:** Ethics Officer forms 3-member neutral inquiry team within 7 days.
2. **Reporting:**
 - For serious fraud: escalate to law enforcement
 - Report to Board within 10 working days
3. **Action:**
 - Termination of employee/vendor
 - Recovery of misused funds
 - Legal complaint if required

Example:

- A coordinator buys stationary in cash repeatedly without bills. After review, the pattern suggests fraud. On confirmation, they're suspended pending investigation

8. Financial Transparency SOPs

- **Budgets** prepared annually and approved by the Governing Board
- **Monthly expense reports** reviewed by Finance Committee
- **Donor Utilization Reports** submitted quarterly
- **Procurement:** Minimum 3 quotations required for purchases above ₹25,000
- **Audit:** Annual statutory audit + mid-year internal audit
- **Disclosures:** Annual financials published on website

9. Whistleblower Protection & Ethics Grievance SOP

9.1 Reporting Mechanism:

- Email: complaint@upayngo.com
- Anonymous Google Form link provided in internal channels
- Suggestion/complaint boxes at centers

9.2 Investigation:

- Complaint registered within 48 hours
- Presiding officers/DAC conducts preliminary review in 5 working days
- Investigation Committee (3 members) finalizes findings in 15 days

9.3 Protection:

- No retaliation policy
- Immediate protection from suspension or harassment
- Support offered via grievance counsellor if needed

10. Transparency in Operations

- **Program Updates** published quarterly
- **Annual Reports** include case studies, outcomes, and audited data
- **Decisions** (e.g., center opening, hiring, partnerships) are documented and shared internally
- **Community Participation** is embedded in center-level decisions

11. Ethical Communication & Representation

- External communication must be truthful, respectful, and avoid exploitation
- Names and images of children used only with written parental consent
- Donor communications must be accurate and timely

12. Training & Orientation

- **Induction:** All new members attend orientation covering:
 - UPAY values
 - Child safeguarding
 - Code of conduct
 - Ethics manual overview
- **Volunteer Handbook:** Each volunteer receives a digital or printed copy.
- **Annual Refresher:** Conducted by Ethics Officer or Zonal Lead

13. Monitoring, Review, and Compliance

- **Monitoring:** Quarterly ethics compliance checklists by ZD
- **Review:** Annual external ethics audit
- **Compliance:** Quarterly report to the Governing Board by Organization Management Team

14. Disciplinary Action

Depending on the violation, actions may include:

- Written warning
- Removal from role
- Legal action (FIR for fraud or harassment)
- Blacklisting of vendor/partner

Levels of violations and action:

- **Level 1** – Minor: Warning letter, mentorship.
- **Level 2** – Moderate: Suspension, retraining.
- **Level 3** – Major: Termination, FIR, vendor blacklisting.

All action to be documented and reviewed by HR and Governance Committee

13. Disciplinary Action SOP

Disciplinary Levels:

Level	Trigger	Action	Authority
1	Minor misconduct	Verbal warning	Center/Zonal Head
2	Repetition / poor performance	Written warning / PIP	Program Director
3	Serious misconduct	Suspension (15–30 days)	Director (DAC) + HR
4	Fraud, abuse, major violations	Termination	Governing Body

Fairness & Appeal:

- Member may present explanation during inquiry.
- Final appeal lies with the Governing Body.

Examples:

- Level 1: Volunteer uses disrespectful tone – issued verbal warning.
- Level 3: Employee manipulates records – suspended, pending investigation.

13.1 Progressive Discipline Process

The UPAY will normally adhere to the following progressive disciplinary process:

1.1 Verbal Warning (1st level):

A Member/Volunteer will be given a verbal warning if he/she engages in problematic behaviour. As the first step in the progressive discipline policy, a verbal warning is meant to alert the Members/Volunteers that a problem may exist or that one has been identified, which must be addressed. Verbal warnings will be given and documented by the respective reporting Managers in consultation with the line HR. The same would be valid for maximum 15 days.

1.2 Written Warning/PIP (2nd level):

A written warning is more serious than a verbal warning. A written warning/ Performance improvement plan (PIP) will be given when a Members/Volunteers engages in any process lapses/conduct that justifies a written warning or the Members/Volunteers engages in unacceptable behaviour during the period that a verbal warning is in effect and also if there is no improvement in his performance. This could also warrant for a financial recovery/ penalty in case of gross process lapses/ mis-conduct/ fraud. Written warnings will be given and documented by the respective Zonal Presiding officer in consultation with the line HR. This would be valid for 15- 30 days from the date of issue. The same would be documented in the Members/Volunteer's personnel file.

1.3 Suspension (3rd level):

A suspension without pay/ Half Pay is more serious than a written warning. A Members/Volunteers will be suspended when he or she engages in conduct that justifies a suspension or the Members/Volunteers engages in unacceptable behavior during the period that a written warning is in effect. A Members/Volunteer's suspension will be given and documented by the zonal presiding officer on getting the information/request from the Zonal Directors. The same would be documented in the personal file of the Members/Volunteers and, will remain in effect for specific time ranging from 15 days to a month as well.

- i) Generally following a suspension, Members/Volunteers will be reprimanded then sent home for the day on decision-making leave. This is intended to help the Members/Volunteers decide whether they should continue working with the UPAY.
- ii) Suspension could be given by; Zonal Heads: to volunteers
Executive body: to Zonal team members
Governing Body: to Executive body member

The Chairman has the discretion to levy any other penalty as he may have deemed fit based on the investigations and the nature of the offence after the consultation with Director(DAC)

1.4 Termination (4th level):

A Members/Volunteers will be terminated when he or she engages in conduct that justifies termination or does not correct the matter that resulted in less severe discipline.

Again, while UPAY will generally take disciplinary action in a progressive manner, it reserves the right, in its sole discretion, to decide whether and what disciplinary

action will be taken in a given situation

Termination could only be given by the Director (DAC) post the approval from the governing body.

If a volunteer, fellow, associate or intern is terminated from his/her position; he/she will not be entitled to receive any allowances for which he/she is entitled during the notice period

2. Disciplinary Action Scope

2.1 Poor Performance

Wherever possible the Performance Management System should be used to manage Members/Volunteers performance. However, there may be times when performance, conduct or Members/Volunteers attitude need to be immediately addressed.

If Members/Volunteers fall below required performance standards they must be personally counselled and then given written confirmation of their deficiencies in performance and if there is no improvement should be put on a performance improvement plan (PIP) for a minimum time period of 30days to 60days from the date of issue.

The Performance improvement plan/written warnings must clearly define the deficiency, the expected standard, by when it should be achieved, how the UPAY will help the Members/Volunteers achieve the improvement required and the consequences of failing to do so.

The Zonal Heads concerned should have documentation showing the conversations taken place, agreed action plans, and other communication with the Members/Volunteers and a copy to Director(DAC) & Director (Administration). The Members/Volunteers should be given the opportunity to appeal or respond to the issues highlighted on each occasion.

If Members/Volunteers consistently fails to meet agreed standards, and has been counselled along with appropriate support/training, then the UPAY would look at even dismissing the Members/Volunteers on performance issues.

2.2 Misconduct

Zonal Presiding officers are expected to investigate misconduct and proceed through the following steps:

A verbal warning should be given to a Members/Volunteers for minor misconduct.

A record of the warning must be kept by the Zonal Presiding officers and should be signed by the Members/Volunteers. The Members/Volunteers must be given the opportunity to respond.

If the unacceptable behavior continues, a written warning will be issued, and signed by the Members/Volunteers as being received and understood, with a copy to Director (DAC) . The Members/Volunteers must be given the opportunity to respond.

Members/Volunteers who have been disciplined two times are subject to dismissal on the third warning

Details of disciplinary actions should be recorded on the Members/Volunteer's personnel file and removed after one (1) calendar year if further disciplinary action is not required.

2.3 Gross or Severe Misconduct

Summary (instant) dismissal for gross or very serious misconduct is possible (depending on the facts involved) for the following but are not limited to:

Insubordination, drunkenness, dishonesty, assault, deliberately endangering the safety of others, commission of a criminal offence on our site, and objectionable language or action, breach of confidentiality

In such cases follow the procedure below:

- I. Zonal Presiding Officer investigates the alleged offence thoroughly, including talking to witnesses, if any.
- II. Ask the Members/Volunteers for his/her response to the allegation (taking notes of this discussion).
- III. Consult with the Director (DAC) regarding possible action.
- IV. If still appropriate, following a thorough investigation, terminate/dismiss the Members/Volunteers.
- V. Keep a file on all evidence collected and action taken in these circumstances.
- VI. The Zonal Presiding officer shall submit a report to the Director(DAC) within Forty- Eight (48) Hours of their finding and/or commission of offense, stating the following facts:
 - Name and Zone involved
 - Nature and Date of offense committed
 - Amount of loss or probable loss, if any.
- VII. Within twenty-four (24) hours from receipt thereof, Director (DAC) shall issue a Memorandum directing the Members/Volunteers/s involved

to submit their written

explanation within Five (5) Working Calendar Days to refute such alleged offense committed herein.

VII. In all such cases 'procedural fairness' guidelines will apply. This means the warning and dismissal process must allow the Members/Volunteers to offer their view of the events concerned. The Members/Volunteers must have every chance to defend himself/herself and has the right to appeal a decision made to the Governing Body. If this process is not followed the dismissal may be overturned by the Governing body.