

## **CODE OF ETHICS AND PROFESSIONAL CONDUCT**

### **Foreword**

The Montfort Hospital Foundation's (the Foundation's) Board of Trustees has adopted the Imagine Canada *Ethical Fundraising and Financial Accountability Code*, which covers all aspects of donor relations.

The purpose of this Code is to establish rules of conduct applicable to all individuals acting for or on behalf of the Foundation, in an effort to maintain and promote integrity, objectivity and transparency in their role as Administrator, with a view to best serving the interests and mission of the Foundation.

### **1. General responsibilities**

- 1.1 Act with integrity, impartiality, loyalty and in good faith with a view to protecting the best interests of the Foundation with care, diligence and skill, as would any responsible person in similar circumstances.
- 1.2 Carry out their private business in a manner that will not interfere with the exercise of their duties as members of the Foundation's Board of Trustees.
- 1.3 Not treat the property of the Foundation as their own property, nor use the property or the material, physical or human resources of the Foundation for their own benefit or for the benefit of a third party, except with prior authorization.
- 1.4 Avoid holding indiscreet conversations on the subject of any information obtained in or during the performance of their duties, and, at all times, take measures to maintain the confidentiality of information so obtained.
- 1.5 Not use for their own benefit or for the benefit of a third party any information obtained in or during the performance of their duties as members of the Foundation's Board of Trustees.

## **2. Rules of conduct with respect to conflicts of interest**

- 2.1 Avoid placing themselves in situations that constitute a real, potential or apparent conflict between their personal interests and their duties and obligations as Administrator.
- 2.2 Without restricting the general meaning of conflict of interest, the following examples are or can be viewed as conflict of interest situations:
  - a) a situation where an administrator has a direct or indirect vested interest in a deliberation of the Board of Trustees;
  - b) a situation where an administrator has a direct or indirect interest in a company that deals or is likely to deal with the Foundation;
  - c) a situation where an administrator has a direct or indirect interest in a contract or transaction, or in a proposed contract or transaction, with the Foundation;
  - d) a situation where an administrator holds an executive position within a company or an organization whose interests conflict with those of the Foundation.
- 2.3 Refrain from participating in any deliberation or decision related to the issue in question, and withdraw from the meeting in situations of real, potential or apparent conflicts of interest with regard to an agenda item under discussion by the Board of Trustees.
- 2.4 Not accept a gift, hospitality or other advantage other than what is customary and of modest value. Any other gift, hospitality or advantage received must be returned to the donor.
- 2.5 Not directly or indirectly grant, solicit or accept undue favours or advantages for themselves or for a third party, including any job offers with the Foundation.

## **3. Applicable post-term rules**

- 3.1 Former administrators must not, for a period of one year following their terms, act in such a manner as to take inappropriate personal advantage of their previous position.

- 3.2 For a period of one year following their terms, former administrators must not disclose any confidential information obtained nor offer advice based on non-public information regarding a procedure, negotiation or any other business involving the Foundation, and must not offer advice, or act on behalf of or for a third party in regard to this procedure, negotiation or business.

#### **4. Ethical Fundraising and Financial Accountability Code**

##### Donor policies and public representations

- 4.1 The Foundation shall prepare and issue official income tax receipts for monetary gifts and/or gifts-in-kind pursuant to any policy established and published on minimum amounts to be receipted, and in compliance with all regulatory requirements. The Foundation shall acknowledge in writing contributions not entitled to be officially receipted, subject to any policy established and published on minimum amounts to be acknowledged.
- 4.2 All fundraising solicitations by or on behalf of the Foundation shall disclose the Foundation's name and the purpose for which funds are requested. Printed solicitations (however transmitted) shall include the Foundation's address or other contact information.
- 4.3 The Foundation shall provide the following information promptly to donors and prospective donors upon request:
  - a) the Foundation's most recent annual report and financial statements as approved by the Foundation's Board of Trustees;
  - b) the Foundation's business number (BN) as assigned by the Canada Revenue Agency;
  - c) any information contained in the public portion of the Foundation's most recent Charity Information Return (form T3010) as submitted to the Canada Revenue Agency;
  - d) a copy of the Foundation's Investment Policy relating to its investable assets, if applicable;
  - e) a list of the names of the members of the Foundation's Board of Trustees;
  - f) a copy of the *Ethical Fundraising and Financial Accountability Code*.
- 4.4 The Foundation or those fundraising on its behalf shall disclose, upon request by donors or prospective donors, whether an individual or entity soliciting contributions is a volunteer, an employee or a contracted third party.

- 4.5 The Foundation shall encourage donors to seek independent advice if it has any reason to believe that the proposed gift might significantly affect the donor's financial position, taxable income, or relationship with other family members.
- 4.6 The Foundation shall honour donors' requests to remain anonymous.
- 4.7 The privacy of donors shall be respected. Any donor records that are maintained by the Foundation shall be kept confidential to the greatest extent possible. Donors shall have the right to see their own donor record, and to challenge its accuracy.
- 4.8 If the Foundation exchanges, rents, or otherwise shares its fundraising lists with other organizations, a donor's request to be excluded from the list shall be honoured.
- 4.9 Solicitations by or on behalf of the Foundation shall treat donors and prospective donors with respect. Every effort shall be made to honour their requests to:
- a) limit the frequency of solicitations;
  - b) not be solicited by telephone or other technology;
  - c) receive printed material concerning the Foundation;
  - d) discontinue solicitations where it is indicated they are unwanted or a nuisance.
- 4.10 Recognition mechanisms created due to a gift shall not be arbitrarily changed or withdrawn. Unless otherwise negotiated at the time of the gift or changed through a joint agreement between the Foundation and the donor or the donor's family or legal representative, the original form of the recognition mechanism will be maintained. If the mechanism cannot be physically retained, it will be changed to another consistent with the original agreement. If continuation of the recognition creates a reputational risk for the Foundation, it may be terminated or altered.
- 4.11 The Foundation shall respond promptly to a complaint by a donor or a prospective donor about any matter that is addressed in this *Ethical Fundraising and Financial Accountability Code*.

## **5. Fundraising practices**

- 5.1 Fundraising solicitations on behalf of the Foundation shall:
- a) be truthful; and

- b) accurately describe the Foundation's activities and the intended use of the donated funds.

5.2 The Foundation shall not make claims that cannot be upheld. It shall refrain from using marketing materials or making representations that could be misleading. The Foundation shall not exploit its beneficiaries. It shall be sensitive in describing those it serves (whether using graphics, images or text) and fairly represent their needs and how these needs will be addressed.

5.3 When the Foundation conducts online solicitations, its practices shall be consistent with or exceed the provisions of the Canadian Code of Practice for Consumer Protection in Electronic Commerce.

5.4 When the Foundation conducts face-to-face solicitations, including, but not limited to, door-to-door campaigns or street-side fundraising, its practices shall include measures to:

- a) provide verification of the affiliation of the person representing the Foundation; and
- b) secure and safeguard any confidential information, including credit card information, provided by donors.

5.5 Volunteers, employees and third party consultants/solicitors who solicit or receive funds on behalf of the Foundation shall:

- a) adhere to the provisions of this *Ethical Fundraising and Financial Accountability Code*;
- b) act with fairness, integrity, and in compliance with all applicable laws;
- c) adhere to the provisions of applicable professional codes of ethics, standards of practice, etc.;
- d) cease solicitation of a prospective donor who identifies the solicitation as harassment or undue pressure;
- e) disclose immediately to the Foundation any actual or apparent conflict of interest; and
- f) not accept donations for purposes that are inconsistent with the Foundation's objectives or mission.

5.6 The Foundation shall provide, upon request, its best available information on the gross revenue, net proceeds and costs of any fundraising activity (including the fundraising costs categorized as education and/or public awareness) it undertakes.

- 5.7 The Foundation shall not, directly or indirectly, pay finder's fees, commissions or percentage compensation based on contributions.
- 5.8 If the Foundation undertakes cause-related marketing in collaboration with a third party, it shall disclose how it benefits from the sale of products or services and the minimum amounts collectible under the arrangements. If no minimum amount is specified, the Foundation should disclose this.
- 5.9 The Foundation shall not sell its donor list. If applicable, any rental, exchange or other sharing of the Foundation's donor list shall exclude the names of donors who have so requested (as provided in section 5.1.h above). If a list of the Foundation's donors is exchanged, rented or otherwise shared with another organization, such sharing shall be for a specified period of time and a specified purpose, and must be limited to what is allowed under federal and/or provincial privacy legislations.
- 5.10 The Foundation's Board of Trustees shall be informed at least annually of the number, type and settlement of complaints received from donors or prospective donors about matters that are addressed in this *Ethical Fundraising and Financial Accountability Code*.

## **6. Financial practice and transparency**

- 6.1 The Foundation's financial affairs shall be conducted in a responsible manner, consistent with the ethical obligations of stewardship and in accordance with applicable federal and/or provincial regulations and the Foundation's practices.
- 6.2 All donations shall be used to support the Foundation's objectives, as registered with the Canada Revenue Agency.
- 6.3 All donations shall be used for the purposes for which they were given unless the Foundation has obtained legal authorization to use them for other purposes. Alternative uses will be discussed where possible with the donor or the donor's legal representative. If the donor is deceased or legally incompetent and the Foundation is unable to contact a legal representative, the donation will be used in a manner that is as consistent as possible with the donor's original intent. If necessary, the Foundation will apply to the courts or the appropriate regulatory body to obtain legal authorization to use the donation for other purposes.
- 6.4 Annual financial statements are necessary to achieve transparency and accountability to donors and the public. All receipt-issuing foundations must prepare financial reports and make they are easily accessible. The Foundation's annual financial statements shall:

- a) be factual and accurate in all material respects;
- b) disclose:
  - the total amount of fundraising revenues (received and non-receipted);
  - the total amount of fundraising expenses (including salaries and overhead costs);
  - the total amount of donations that are receipted for income tax purposes (excluding bequests, endowments, and sums locked in for 10 years);
  - the total amount of expenditures on charitable activities;
- c) identify government grants and contributions separately from other donations; and
- d) be prepared in accordance with generally accepted accounting principles and standards established by the Canadian Institute of Chartered Accountants, in all material respects.

6.5 The cost-effectiveness of the Foundation's fundraising programs shall be reviewed regularly by the Board of Trustees. No more will be spent on administration and fundraising than is required to ensure effective management and resource development. The Foundation shall disclose its process for evaluating its spending.

6.6 The Foundation shall, upon request, disclose the revenue and expense forecasts for its fundraising activities as approved by its Board of Trustees in its annual budget.

6.7 If the Foundation has annual revenue in excess of \$250,000, the financial statements must be audited by an independent public accountant.

6.8 If the Foundation's investable assets surpass \$1,000,000, an Investment Policy shall be established setting out asset allocation, procedures for investment decisions and asset protection issues.

6.9 If the Foundation receives, or anticipates receiving, gifts-in-kind of \$100,000 or more in a year and has annual revenue in excess of \$500,000, it shall establish a Gift Acceptance Policy for the receipt of gifts-in-kind.