



Policy on Acts of Bribery and Other Financial Misconduct

Last Updated MAY24

1. Introduction

- 1.1 The Government of Canada has a number of measures to deter corporations from participating in corporate misconduct, including [Criminal Code](#) offences and other legislation such as: the [Competition Act](#) and the [Proceeds of Crime \(Money Laundering\) and Terrorist Financing Act](#). In addition to the specific legislation combatting the laundering of dirty money, criminal code changes have added the notion of "recklessness" to the offence of money laundering. These and other changes have closed the gap stemming from technological advances.
- 1.2 Record keeping is key, as is a level of awareness of who one is dealing with on all transactions. Attention to contracts and administrative tasks is important in order to protect both individual staff and the organization.
- 1.3 This policy sets out general rules and principles to which Multifaith Housing Initiative (MHI) adheres in order to prevent acts of bribery and other financial misconduct. It will be communicated to all our employees, property management service providers, board members, financial committee members, volunteers as well as relevant business partners and other individuals and entities with whom MHI is associated in the ordinary course of business.
- 1.2 Acts of bribery and other financial misconduct are designed to influence the individual in the performance of their duty and incline them to act dishonestly. For the purposes of this policy, whether the payee or recipient of the act of bribery or other financial misconduct works in the public or private sector is irrelevant.
- 1.3 Further it does not matter whether the act is committed before or after the tendering of a financial transaction (contract or other), or the completion of administrative tasks.

2. Definitions of Bribery and Other Forms of Financial Misconduct

- 2.1 **Bribery:** occurs when anything of value or other advantage is offered, promised, given, demanded or accepted as an inducement for an action which is improper. Anything of value includes cash, entertainment or other gifts or courtesies.
- 2.2 **Improper:** means where the person concerned:
- fails to perform a function or activity in good faith, impartially or with integrity; or
 - performs a function or activity illegally, dishonestly, unethically or in breach of trust; or
 - does not perform the function or activity at all.

2.3 **Corruption:** includes fraud and other forms of financial misconduct or the misuse of power for private gain. This includes, but is not limited to:

- **Swindling:** money or property obtained by fraud or deceit.
- **Laundering:** the process whereby "dirty money" — produced through criminal activity — is transformed into "clean money," the criminal origin of which is difficult to trace.
- **Extortion:** undue or illegal power obtained from a person through the use of force or intimidation.

2.4 **Fraud:** An act or omission, made with the intent of making a financial gain, or causing a financial loss, or exposing another to the risk of a financial loss, in which a person:

- makes a false representation; or
- fails to disclose information they are under a legal duty to disclose; or
- occupies a position in which they are expected to safeguard, or not act against, the interests of another person and:
 - abuses that position; and
 - intends, by means of that abuse of that position to make a gain for themselves or another, or to cause loss to another or to expose another to the risk of loss.

3. Areas of Business

3.1 The areas of business where bribery and other financial misconduct can occur include:

- Gifts, travel, entertainment, hospitality and reimbursement of expenses;
- Cash payments;
- Phony jobs or "consulting" relationships;
- Kickbacks;
- Political contributions;
- Charitable donations; or
- Social benefits.

4. Application of the Policy

4.1. This policy applies to all "**staff**", meaning all individuals working for pay within MHI at all levels and grades, including the Executive Director, managers, employees (whether permanent, fixed term or casual), contracted agencies and their staff, interns or any other person working for pay in any context within the organization.

- 4.2. This policy also applies to "**associated persons**", meaning any individual or organization performing unpaid services for and on behalf of MHI, which may include the Board of Directors, committee chairs and members, volunteers, partners in collaborative working arrangements and joint ventures, and suppliers.

5. Statement of Policy

- 5.1. As an overriding principle, all staff and associated persons should observe a commitment to integrity in all aspects of their conduct.
- 5.2. Under no circumstances will MHI knowingly be involved with companies or individuals who offer or give bribes or participate in any other form of financial misconduct, either in a direct or indirect manner.
- 5.3. No member of staff or associated person shall seek a financial or other advantage for MHI through bribery or any other form of financial misconduct.
- 5.4. No member of staff or associated person shall offer, promise, give, request, agree to receive, or accept a bribe for any purpose.
- 5.5. MHI prohibits any form of financial misconduct within its operations, and no MHI staff or associated persons may engage in such behaviour with regard to activities carried out within or on behalf of the organization.
- 5.6. MHI staff and associated persons who suspect that bribery or other financial misconduct has occurred are required to report such instances to the President of the Board or the Executive Director. The matter will be appropriately investigated, recorded, and reported.

6. Policy Implementation

6.1. Monitoring and Review

The Governance Committee will review the implementation of this policy in respect to its suitability, adequacy and effectiveness and make improvements as appropriate. The Committee will periodically report the results of this process to the Board of Directors.

6.2. Internal Policy Awareness

Acknowledgement of Receipt: All members of the Board of Directors and all staff and associated persons must acknowledge receipt of this policy and their understanding of its contents by signing the Acknowledgement of Receipt (Appendix A).

6.3. Complaints/Suspicious of Bribery or Other Financial Misconduct

Complainants will be required to submit written allegations, providing a description of the nature of the complaint, names of individuals involved, and the places and dates in which actions were alleged to have taken place.

The Executive Director or the President of the Board as well as legal counsel, where appropriate, will investigate the allegation or designate a third party to do so. On completion of the investigation, for any subsequent action required, management or legal counsel will advise the Board of Directors of the outcome.

6.4. Financial Transactions

MHI will ensure that all financial accounting relating to all financial transactions (donations, contracts, etc.) are properly and fairly recorded and that financial records are maintained and subject to audit by a third-party auditor.

7. Consequences of Policy Non-Compliance

- 7.1 Should it be concluded that a member of staff or an associated person has acted in non-compliance with this Policy, that individual will be subject to appropriate disciplinary action which may include removal from the Board of Directors, discharge, revocation of volunteer status, contract termination, criminal prosecution or civil liability.

8. Confidentiality

- 8.1 All information relating to bribery and other financial misconduct investigations should be treated as confidential and disclosed to responsible parties on a “need to know basis”. Given the sensitivity of the information, its sources, and the severity of an accusation leading to a penalty being imposed for perpetrating bribery and financial misconduct, all MHI staff and associated persons need to respect the confidentiality of information, accusations, and conclusions derived from related investigations.

Appendix A

**Acknowledgement of Receipt
Multifaith Housing Initiative Policy on Acts of Bribery and other Financial
Misconduct**

All “**staff**” and “**associated persons**” as defined in Article 4 of the Multifaith Housing Initiative Policy on Acts of Bribery and other Financial Misconduct must acknowledge having read and understood the contents of the policy.

ACKNOWLEDGEMENT OF RECEIPT

I, (insert name in Capital letters) _____ acknowledge that I have received a copy of the Multifaith Housing Initiative’s Policy on Acts of Bribery and other Financial Misconduct.

I have read this Policy, I understand its terms and contents, and I acknowledge that I am bound by its provisions and that this is a fundamental condition to my employment or participation in Multifaith Housing Initiative.

Signature:

Date: