

Highland Mennonite Brethren Church Conduct Manual Conflict of Interest Policy

Highland Mennonite Brethren Church (“HMBC”), as a ministry initiated and sustained by God, has a mandate to conduct all of its affairs decently and above reproach both in the sight of God and man.¹ This *Conflict of Interest Policy* outlines HMBC’s commitment to operate with the highest level of integrity and to avoid any conflict of interest. *APPENDIX 1 - CONFLICT OF INTEREST AGREEMENT* shall be signed by the Leadership Team Executive and Core Ministry Coordinators, all Employees, the Treasurer, and others who may – from time to time – have signing authority for purchases and contracts on behalf of HMBC (“Officers, Directors, and Employees”) at the commencement of each term of serving with or on behalf of HMBC.

1. DEFINITION

“Conflict of Interest” arises in a transaction or significant relationship involving HMBC where one or more of its Officers, Directors, or Employees, whether or not they receive a salary, or a person who is not considered to deal at arm’s length² with one or more of its Officers, Directors, or Employees

- realizes a direct or indirect gain of a commercial nature;
- receives money or property³; or
- receives a direct or indirect substantial advantage or privilege in connection with any such transaction or significant relationship.

¹ As a registered charitable organization, HMBC depends for its continued existence on charitable contributions from the public. Maintenance of HMBC as a charity under trust law and registration with CRA under the Income Tax Act is important both for its continued financial stability and for the receipt of contributions and public support. CRA and provincial regulators view the operations of HMBC as a public trust which must devote all of its resources for exclusively charitable purposes of benefit to the public. Therefore, HMBC is accountable to both governmental authorities and the public at large.

² Persons not considered to deal at “arm’s length” with Officers, Directors, or Employees include

- related persons (as defined in the Income Tax Act);
- an estate or trust (whether incorporated or not) of which they or their related persons are beneficiaries, personal representatives, or trustees;
- a business or not-for-profit entity of which they or their related persons are officers, directors or employees;
- a business in which they or their related persons have a significant interest; or
- a law firm, accounting firm, or other professional entity of which they or their related persons are partners or employees.

³ This policy is not intended to prohibit the acceptance or giving of gifts of nominal value, provided they are consistent with commonly accepted courtesies, any applicable Canada Revenue Agency policies, and could not be construed as an improper payment. Cash payments in any amount must never be accepted or given as a gift or favour under any circumstances.

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2. EXAMPLES

These examples do not constitute an exhaustive list. There will be other transactions and significant relationships that could also be susceptible to Conflicts of Interest. It is assumed that Officers, Directors, or Employees will use the definitions set out above and these examples to recognize a Conflict of Interest when it arises. If Officers, Directors, or Employees have any doubt, or have questions of interpretation, the Leadership Team Executive (“the Executive”) should be consulted.

2.1. Transactions in which Conflicts of Interest may arise:

- The acquisition or supply of goods or services;
- The acquisition or granting of property and equipment leases;
- Investments made by HMBC;
- Dealings with donors; or
- Dealings with any other individuals, agencies, organizations, companies, governments or associations that affect the purpose or operation of HMBC.

2.2. Significant relationships in which Conflicts of Interest may arise:

Where Officers, Directors, or Employees or a person who does not deal at arms’ length with Officers, Directors, or Employees

- has a significant interest in any business which deals with HMBC (“a significant interest” for the purpose of this policy means either direct or indirect control of more than 10% of the business);
- is engaged in a professional practice which provides services to HMBC;
- holds an office in any entity that has dealings with HMBC;
- provides goods or services to HMBC for consideration, while serving as Officers, Directors, or Employees of HMBC;
- receives any compensation, whether cash, goods or services, from any business, charity or individual where such compensation is provided as a direct or indirect result of a relationship established through HMBC;
- uses HMBC’s personnel, equipment, supplies, name, publications, or other resources for non-HMBC purposes outside of established policy;
- receives personal gifts or loans from any third parties having dealings with HMBC given as a direct or indirect result of the HMBC relationship; or
- has an interest in real estate, securities or other property that HMBC has an interest in buying or leasing.

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3. ACCOUNTABILITY & DISCLOSURE

Since the Leadership Team (“LT”) delegates the carrying out of the policies and affairs of HMBC to its Officers, Directors, or Employees, the LT also requires such Officers, Directors, or Employees to respect its legal duties. Officers, Directors, or Employees have the duty and responsibility to administer the affairs of HMBC in accordance with the governing documents and trust law, and to exercise their respective tasks in furthering the objects of HMBC for the sole benefit of its public purposes. Officers, Directors, or Employees of HMBC must exercise good faith in all their transactions and not use their position or knowledge gained from their position for any personal advantage or privilege.

It is the responsibility of Officers, Directors, or Employees to scrutinize their transactions and outside business interests and relationships for potential Conflicts of Interest and to immediately make such disclosures to their supervisor or a member of the Executive.

Disclosure should be made at the earliest date possible and should be in writing. Space for such written disclosure is provided within *APPENDIX 1 - CONFLICT OF INTEREST AGREEMENT*. Even if Officers, Directors, or Employees are invited to enter into a transaction which may be a conflict, but refuse, the person involved should notify the Executive of the offer as a point of information. The Executive shall bring these matters to the LT’s attention.

4. AUTHORIZATION

The Executive shall determine whether a conflict exists and whether it is material, and where, in the opinion of the Executive, a material conflict exists, decide whether the contemplated transaction may be authorized as just, fair and reasonable. The primary concern must always be the welfare of HMBC and the advancement of its purposes.

The fact that a conflict exists does not necessarily mean that the conflict is objectionable, or material enough to be of practical importance, or that it is necessarily adverse to the interests of HMBC or its charitable purposes. However, it is the policy of HMBC that the existence of any conflict as defined above must be disclosed before any transaction is carried out.

5. CONFLICT OF INTEREST VIOLATION

Violation may lead to disciplinary action and may – in extreme cases - constitute grounds for removal from a ministry role or dismissal from employment at the exclusive discretion of the Executive, particularly if the Officers, Directors, or Employees have failed to disclose relevant information in a timely manner.

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APPENDIX 1 – CONFLICT OF INTEREST AGREEMENT

As part of complying with the *Conflict of Interest Policy* at Highland Mennonite Brethren Church (“HMBC”), a *Conflict of Interest Agreement* shall be signed by the Leadership Team Executive and Core Ministry Coordinators, Employees, Treasurers, and others who may – from time to time – have signing authority on purchases and contracts on behalf of HMBC (“Officers, Directors, or Employees”) at the commencement of serving with or on behalf of HMBC. The completed document shall be submitted to the Ministry Team Leader or the HMBC office at 4018 Centre B St NW, Calgary AB T2K 0W2, office@highlandchurch.ca, 403-276-9396.

Agreement		
I acknowledge that I have read the <i>Conflict of Interest Policy</i> .		
I understand the principles contained within the <i>Conflict of Interest Policy</i> .		
I agree to comply with the <i>Conflict of Interest Policy</i> .		
I recognize that I may address with a member of the Leadership Team or its Executive any questions or concerns I may have at any time regarding the <i>Conflict of Interest Policy</i> .		
Disclosure (to be completed as soon as a potential Conflict of Interest arises)		
I hereby disclose the following potential Conflict of Interest: 		
Officers, Directors, or Employees Signature		
Signature	Printed Name	Date
Executive Signature (only required for disclosure of a potential Conflict of Interest)		
Signature	Printed Name	Date
Purposes and Extent		
<p><i>HMBC collects and retains this information for the purposes of having a written record of its Officers, Directors, or Employees’ agreement to comply with the Conflict of Interest Policy in their role with HMBC. Upon review and any required follow-up, the original document is filed indefinitely – upon recommendation by our insurance company and legal counsel - in HMBC’s CONFIDENTIAL archives. The information collected is also stored in a password-protected database. The information is accessible only to the Ministry Team Leader, Designated Screening Personnel, Leadership Team, and where required by law. If you wish to limit the information collected, or to view your information, please contact HMBC.</i></p>		

Approved by: Leadership Team
Approval Date: December 11, 2018
Notice to: Membership