

QEII Foundation Code of Ethics

A message from Bill Bean, President & CEO



When everything else is stripped away, our health, the health of our loved ones and the health of our community is what truly matters most.

Regardless of our background, where we live or what we do, we all share the basic need to know that we will be cared for if and when we need it. This is why the QEII Health Sciences Centre, a regional centre of excellence, is so important to the lives of all Atlantic Canadians. Why the QEII Foundation exists: *to inspire generosity that advances health care at the QEII*. Ensuring that when you need it the most, the QEII is there to care for you, your loved ones and your community.

By working with a community of people who share our vision of better health - the Board of Trustees and staff, our health centre partners, donors and volunteers - we organize fundraising campaigns, special events, social enterprise initiatives and investments, that strengthen health care here at the QEII.

As a leader in the philanthropic community, it is vital that the QEII Foundation continues to lead by example in fair and ethical fundraising.

In today's economy, we are being challenged to innovate for increased charitable revenues and are experiencing a consistent decrease in public funding, while at the same time, donor expectations and public scrutiny continue to evolve. This is why accountability and transparency are crucial to the QEII Foundation's culture and are engrained in our community. The Foundation abides by CRA Guidelines and consistently collaborates with charitable advocacy groups including: Imagine Canada, AHP and AFP.

Our organizational values (included in this document) help guide our decision making process and set expectations for responsible and ethical fundraising behaviour. They help us build strong relationships with donors, sponsors and volunteers in order to achieve our vision: *Transformed Health, Transformed Lives*.

Our Mission

The QEII Foundation is:

“Inspiring generosity to advance health care at the QEII”

Our Values

As an organization, our staff and volunteers demonstrate the following values in all that we do:

- *Integrity*– to mean what we say and to act ethically
- *Commitment to excellence* – to continually strive to do better
- *Respect*– to demonstrate a sincere concern for others
- *Accountability* – to regularly share our plans and report our results

Our Vision

We are motivated to realize our Vision which is:

“Transformed Health, Transformed Lives”

Our Code of Ethics

A: Donor Policies and Public Representations

- 1) The QEII Foundation shall maintain its charitable status with the Canada Revenue Agency
- 2) The QEII Foundation shall prepare and issue official Income Tax receipts for monetary gifts and for 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.
- 3) All fundraising solicitations by or on behalf of the QEII Foundation shall disclose the Foundation's name and the purpose for which funds are requested. Printed and on-line solicitations (however transmitted) shall include its address or other contact information.
- 4) The QEII Foundation must demonstrate the utmost transparency and accountability through accurate and accessible disclosure of information in a readily accessible location on its website. Information that should be disclosed includes, but is not limited to the following:
 - the Foundation's most recent three years of annual reports and financial statements including notes as approved by the Board of Trustees;
 - the charity's registration number (BN) as assigned by the Canada Revenue Agency (CRA);
 - any information contained in the public portion of the charity's most recent Charity Information Return (form T3010) as submitted to CRA;
 - a copy of the Foundation's Investment Policies relating to its investable assets;
 - copies of the Foundation's privacy and complaints policies;
 - a list of the names of the members of the Foundation's Board of Trustees; and
 - a copy of this *Code*.
- 5) The QEII Foundation or those fundraising on its behalf shall disclose, upon request, whether an individual or entity soliciting contributions is a volunteer, an employee or a contracted third party.
- 6) The QEII Foundation shall not make claims that cannot be upheld or are misleading.
- 7) The QEII Foundation shall encourage donors to seek independent advice if the proposed gift is a Planned Gift and/or the Foundation 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.
- 8) The QEII Foundation shall honour donors' requests to remain anonymous in respect to:
 - being publicly identified as a supporter; and/or
 - having the amount of their contribution publicly disclosed.

- 9) The privacy of donors shall be respected. Any donor records that are maintained by the QEII Foundation shall be kept confidential and will not be released except in compliance with the law. Donors shall have the right to see their own donor record, and to challenge its accuracy.
- 10) The QEII Foundation does not exchange, rent, or otherwise share its fundraising lists with other organizations.
- 11) Solicitations by or on behalf of the QEII Foundation shall treat donors and prospective donors with respect. Every effort shall be made to honour their requests to:
 - limit the frequency of solicitations;
 - not be solicited by telephone or other technology;
 - receive printed material concerning the charity;
 - discontinue solicitations where it is indicated they are unwanted or a nuisance.
- 12) The QEII Foundation shall have appropriate fundraising policies in place, including but not limited to gift acceptance, treatment of restricted or designated gifts, naming, and endowment policies. The relevance and appropriateness of the Foundation's fundraising policies shall be reviewed regularly by the Board of Trustees.
- 13) Subject to the policies of the Nova Scotia Health Authority, recognition mechanisms created due to a gift shall not be arbitrarily changed or withdrawn by the QEII Foundation. Unless otherwise negotiated at the time of the gift or changed through a joint agreement between the QEII Foundation and the donor or the donor's family or legal representative, the QEII Foundation will make every reasonable effort to ensure the original form of the recognition mechanism is 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 or the Nova Scotia Health Authority, it may be unilaterally terminated or altered.
- 14) The QEII Foundation shall post its complaints process and related contact information in a readily accessible location on its website.
- 15) The QEII Foundation shall respond promptly to a complaint by a donor or prospective donor about any matter that is addressed in this *Code*.

B: Fundraising Practices

- 1) The QEII Foundation's fundraising affairs shall be conducted in a responsible manner, consistent with the ethical obligations of stewardship and all applicable laws.
- 2) Fundraising solicitations on behalf of the QEII Foundation shall:
 - be truthful; and
 - accurately describe the Foundation's activities and the intended use of donated funds.
- 3) The QEII 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.

- 4) When the QEII Foundation conducts face-to-face solicitations, its practices shall include measures to:
 - provide verification of the affiliation of the person representing the Foundation; and,
 - secure and safeguard any confidential information, including credit card information, provided by donors.
- 5) Volunteers, employees and third party consultants/solicitors who solicit or receive funds on behalf of the QEII Foundation shall:
 - adhere to the provisions of this *Ethical Code*;
 - act with fairness, integrity, and in accordance with all applicable laws;
 - adhere to the provisions of applicable professional codes of ethics, standards of practice, etc.;
 - cease solicitation of a prospective donor who identifies the solicitation as harassment or undue pressure, or who states that he does not wish to be solicited;
 - disclose immediately to the Foundation any actual or apparent conflict of interest or loyalty; and
 - not accept donations for purposes that are inconsistent with the Foundation's objects or mission.
- 6) The QEII 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.
- 7) The QEII Foundation shall not, directly or indirectly, pay finder's fees, commissions or percentage compensation based on charitable contributions.
- 8) When the QEII Foundation undertakes cause-related marketing in collaboration with a third party the Foundation shall disclose how they benefit from the sale of products or services and the minimum or maximum amounts payable under the arrangement. If no minimum amount is specified, the Foundation will disclose this.
- 9) The QEII Foundation shall not disclose the names of its donors, except in compliance with the law or with the consent of the donor, and in any event, shall not sell its donor list.
- 10) The QEII Foundation's Board of Trustees shall be informed at least annually of the number, type and disposition of complaints received from donors or prospective donors about matters that are addressed in this *Ethical Code*.

C: Financial Practice and Transparency

- 1) The QEII Foundation's financial affairs shall be conducted in a responsible manner, consistent with the ethical obligations of stewardship and all applicable law.
 - a. In addition to all other available remedies and actions, failure to comply with

Foundation financial practices may result in disciplinary action, up to and including termination, in accordance with the Foundation's Corrective Action Policy and applicable laws.

- b. The Foundation supports and encourages any employee or volunteer who suspects illegal, fraudulent, or unethical behavior to report such concerns in accordance with to the Foundation's Whistleblower Policy
- 2) All donations shall be used to support the Foundation's objects and charitable purposes.
 - 3) The cost-effectiveness of the QEII 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.
 - 4) The QEII Foundation shall accurately disclose all costs associated with its fundraising activity.
 - 5) The QEII Foundation shall make the following information publicly available (e.g., on its website, in its annual report, in its financial statements) within 6 months of its year end:
 - total fundraising revenues;
 - total fundraising expenses;
 - total expenditures on charitable activities/programming.
 - 6) The QEII Foundation must have their financial statements audited by an independent licensed public accountant.
 - 7) The Foundation shall maintain investment policies setting out asset allocation, procedures for investment decisions, and asset protection issues.
 - 8) No Trustee of the QEII Foundation shall participate in any decision in respect of any contract, investments, or other arrangement in which the Trustee may have a direct or indirect interest.
 - a. Should a Trustee become an interested party after the initial discussion, they shall declare the interest at the first meeting held after he/she becomes so interested.

INTERPRETATION GUIDE

A: Donor Policies and Public Representations

Standard A8

The QEII Foundation shall honour donors' requests to remain anonymous in respect to:

- being publicly identified as a supporter; and/or
- having the amount of their contribution publicly disclosed.

Interpretation Guideline

In some circumstances, when the source or size of a donation may be perceived as affecting the independence of the Foundation, the organization may negotiate the terms of public disclosure.

Standard A12

The QEII Foundation shall have appropriate fundraising policies in place, including but not limited to gift acceptance, treatment of restricted or designated gifts, naming, and endowment policies. The relevance and appropriateness of the Foundation's fundraising policies shall be reviewed regularly by the Board of Trustees.

Interpretation Guideline

All restricted or designated donations shall be used for the purposes for which they were given subject to any Gift Agreement that may be in place and any Foundation Gift Acceptance, Disbursement and Designated Fund policies approved by the Board of Trustees..

Standard A13

Subject to the policies of the Nova Scotia Health Authority, recognition mechanisms created due to a gift shall not be arbitrarily changed or withdrawn by the QEII Foundation. Unless otherwise negotiated at the time of the gift or changed through a joint agreement between the QEII Foundation and the donor or the donor's family or legal representative, the QEII Foundation will make every reasonable effort to ensure the original form of the recognition mechanism is 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 or the Nova Scotia Health Authority, it may be unilaterally terminated or altered.

Interpretation Guideline

The Foundation's Donor Recognition/Gift Acceptance Policy may be referred to in a gift

agreement and may define recognition time limits and/or establish procedures if maintaining the original form of recognition becomes impractical or undesirable.

B: FUNDRAISING PRACTICES

Standard B8

The QEII Foundation shall not, directly or indirectly, pay finder's fees, commissions or percentage compensation based on contributions.

Rationale

The Ethical Code prohibits finder's fees, commissions, and percentage-based compensation for several reasons, including:

- Charitable organizations operate for the public good and receive special rights and tax exemptions. Percentage-based compensation may provide excessive private benefit to individual fundraisers or for-profit fundraising firms and may damage the underpinnings of the contract that charitable organizations have with society.
- Percentage-based compensation may undermine donor confidence in charities by diverting or appearing to divert donated funds into private pockets. Donors and potential donors may reconsider their decision to give if they believe that their donation will benefit the fundraiser rather than the charity.
- Successful fundraising programs are built on the development of long-term relationships with donors. Finder's fees, commissions, and percentage based compensation for fundraisers provide an incentive to maximize immediate revenue and may undermine the long-term interests of the charitable organization.
- Linking remuneration directly to fundraising success can lead to undue pressure on donors.
- Pre-determined payments for fundraisers recognize the value of the work involved in fundraising independently of the fundraising outcome, which cannot be guaranteed.

Interpretation Guidelines

1. This standard extends to all fundraising done by the Foundation including fundraising done on its behalf or in its name.
2. This standard does not apply to:
 - a. commercial fees, such as commissions or percentage payments or similar administrative payments for credit card transactions;
 - b. administrative fees charged by registered charities that collect money on behalf of other charities (e.g., Community Foundations, Canada Helps, United Ways, etc.);
 - c. cause-related marketing where a retailer or other service provider agrees to give a percentage of sales to a charity without any intermediary;

- d. service providers that provide a platform for fundraising but do not solicit contributions on behalf of the charity, or
 - e. lotteries, including but not limited to, bingos, raffles, break open tickets and social gaming events that are otherwise regulated. It is expected that lotteries and other gaming events will be licensed by the appropriate authority.
3. Compensation of staff, consultants, and contractors should take into account the experience, expertise and the time requirements of the position as well as performance.
4. The Foundation may offer performance-based compensation to staff (e.g., salary increases, annual or one time incentives, additional time off, bonuses) under the following conditions:
- a. there is a documented performance-based compensation structure in place that applies to all staff , whether or not they are directly engaged in fundraising activities;
 - b. The compensation structure complies with this Code of Ethics, the requirements of the Canada Revenue Agency and the best practices established by Imagine Canada;
 - c. the President & CEO had approved the structure;
 - d. staff performance goals are established in advance;
 - e. the criteria for determining eligibility for, or the amount of, performance based compensation, do not include direct consideration of a percentage of funds raised by the Foundation as a result of the individual's efforts; and
 - f. Performance incentives do not cause the Foundation to exceed amounts available for staff compensation, as approved by the Board of Trustees in its annual budget
5. When the Foundation works with fundraising consultants or contractors their contracts may include performance-management mechanisms. These mechanisms should be designed to minimize the cost of fundraising to the charity and avoid excessive private benefit to the consultant/contractor.
6. Should the Foundation have a contractual arrangement in place to raise funds, and a violation of the Code occurs through a breach of that contract, the Foundation must correct the situation as soon as reasonably possible.

Definitions

Bonus: a sum of money given to an employee in addition to his/her usual compensation. Bonuses are usually given for meeting or exceeding established performance goals.

Commission: a payment based on the dollar value of a transaction. In the fundraising context, it refers to remuneration based on a percentage of funds raised.

Incentive: a monetary or non-monetary reward to an employee or group of employees to incent performance excellence

Finder's Fee: a fee paid to a third party for bringing together two or more people or companies in a business transaction, as in the borrowing or lending of money. In the fundraising context, a finder's fee refers to the payment of a fee to a third party that is contingent upon obtaining a

donation.

Percentage-Based Compensation: compensation based on a percentage of funds raised.

Performance-Based Compensation: compensation paid to an employee, consultant, or contractor that is linked to performance (e.g., meeting or exceeding established performance goals) but which does not relate in a significant way to funds raised.